

Mr Muskie appointed US Secretary of State

For Edmund Muskie was named Secretary of State yesterday, in succession to Mr Cyrus Vance who resigned over last week's abortive attempt to rescue the American hostages from Iran. Mr Muskie is 66 and it is thought that he will easily win confirmation from the Senate.

Launch Democrat to succeed Mr Vance

Patrick Brogan, 49, of New York, has been chosen to be Secretary of State in the Democratic nomination to succeed Mr Cyrus Vance. The news broke in mid-afternoon here, on Capitol Hill, where Mr Brogan is a senior aide to the Vice-President. He is now 66, and one of the considerations that led to his selection was his long record of public service. He is a lawyer by profession, but has not practised for many years. He is a member of the Senate foreign relations committee, and has a working knowledge of foreign affairs. He has not, however, been in the public eye since the Vietnam war. On the other hand, he is a man of considerable political weight, and will certainly make his mark in the State Department. He will be the first Democrat to hold the post since Mr William P. Rogers in 1969.

Mr Brogan's appointment is seen as a sign of the Democrats' intention to launch a serious challenge to the Republicans in the November election. Mr Brogan is a member of the Senate foreign relations committee, and has a working knowledge of foreign affairs. He has not, however, been in the public eye since the Vietnam war. On the other hand, he is a man of considerable political weight, and will certainly make his mark in the State Department. He will be the first Democrat to hold the post since Mr William P. Rogers in 1969.

Iranian generals say US about to attack

Iranian officials said today that the United States had launched a surprise attack on Iranian forces in the Persian Gulf. The attack, they said, was a "surprise" and "extremely serious". The Iranian officials said that the attack was a "surprise" and "extremely serious". The Iranian officials said that the attack was a "surprise" and "extremely serious". The Iranian officials said that the attack was a "surprise" and "extremely serious".

Commons praise for Thatcher firmness

By Fred Emery
Mrs Margaret Thatcher savoured a rare triumph in the Commons yesterday for her refusal to compromise with her European Community partners. She united Government and Opposition benches and drew expressions of pride and thanks from such hatters of the EEC as Mr Enoch Powell and the Rev Ian Paisley.

The lone dissenter was Mr Russell Johnston, the Inverness Liberal, who said that her abrasive manner had damaged Europe and isolated Britain. The Prime Minister was tempted to crow only against Mr Johnston; she had been pretty successful, whatever her methods, in getting an offer of £850m reduction in our £1,120m EEC budget contribution, she retorted.

But for the rest she tried to present the breakdown at the Luxembourg summit in conciliatory terms. All had compromised and they had come near to a solution. They now had six weeks before the next EEC summit in Venice for the Italian President of the Council of Ministers to make "strenuous efforts" to complete a settlement.

She almost made it sound like a slight hitch, until she unholstered some of what she called her "weapons". These were that there will be no further agreements on other major matters in the Community unless our own particular problem in the Community is settled.

Refusing agreement for the agricultural price review was not the only action to be taken. There were still no real budget for the Community, she remarked, and not likely to be one until Britain's problem was settled.

This does not mean that Britain is bringing the Community to a standstill, it is said in Whitehall.

Some negotiating advantage is seen in maintaining confusion over what the Government will do. But two things are being asserted. Since the EEC partners sought "linkage" between the Community and other outstanding problems, the British Government will not now settle any of them until the budget issue is settled.

As for the other leaders' refusal to have the British contribution discussed at the summit, the Government would like nothing better provided it can all be settled by the Council of Ministers. However, this is seen as unrealistic; and Mrs Thatcher, as she said repeatedly, is now hectoring the Italians to use the remaining six weeks before Venice to "complete" the deal.

Her main point on the budget settlement was that a one-year arrangement would not have prevented the issue recurring every year. So it was better to wait until they could agree on duration, where, Mrs Thatcher feels, she has already compromised by cutting back her demands to three years.

Parliamentary report, page 6; EEC partners stunned, page 7; Leading article, page 17



The Queen, in the first state visit to Switzerland by a British monarch, inspecting an infantry guard of honour outside the Palace of the Parliament in Bern yesterday.

Railmen accept 20% pay increase in revised single stage deal

By Donald MacIntyre

Labour Reporters
British Rail yesterday overcame the setback which last week prevented agreement to its pay and productivity plan for the three rail unions.

The National Union of Railwaymen's executive, which rejected an offer last week of 16 per cent from April 21 and a further four per cent from June 30, voted by 25 votes to three yesterday to accept a single payment of the full 20 per cent from May 5.

The new formula, reached after six hours of talks on Monday, brings forward by a month, to May 31, the date by which the unions are expected to agree a programme for negotiating the wide range of efficiency measures which the BR board is seeking.

Subject only to final endorsement by the white collar Transport and Salaried Staffs' Association, 180,000 railway workers will receive, from next week, pay increases adding between £9.80 and £17.75 on basic rates at a cost to the board of £220m over the financial year 1980-81.

As in the previous offer, BR is insisting not only on commitment to its long-term plan for improving productivity but, in return for the pay deal, "specific action" on the items which it attaches most urgency: reduction of spare marshalling yard capacity, increased efficiency of the freight and parcels business, and a cut in administration costs.

On the present establishment that could mean a notional cut of up to 30,000 jobs; but that includes what the unions say is 12,000 unfilled vacancies, while the board believes declines in some areas can be compensated for by increases in jobs in others as business improves.

The agreement provides that there shall be no compulsory dismissals. Mr Sidney Weighell, general secretary of the NUR, made it clear that with a progressive decline in working hours and overtime, now 12 hours a week, he saw no reason why there should be a decline in railway employment, although some workers would have to move jobs.

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Print dispute stops 'Evening News'

By Paul Routledge

Labour Editor
The London Evening News, the country's largest selling evening newspaper, yesterday became the latest casualty in the printing pay dispute that has spread to Fleet Street.

All editions were lost after 44 foundry workers belonging to the National Graphical Association walked out.

The Evening News has a circulation of 500,000. It is the fifth Fleet Street newspaper to be caught up in the five-week dispute over pay between the BPPF and the Newspaper Society, representing provincial newspaper publishers, and the British Printing Industry Federation, representing 3,700 general printing firms.

NGA leaders have said the "guerrilla" war against national newspapers will continue until the employers concede their claim for an £80 a week minimum and a 37½ hour week. Mr Joe Wade, the union's general secretary, said: "When they are ready to move, we are ready to meet them."

The BPPF insisted that the response from member firms to its lockout recommendation was "pretty solid and strengthening all the time". But the NGA countered that some 2,025 firms employing 17,850 union men, 30 per cent of the industry's total, had now gone into the "exemption net" after conceding an interim agreement.

The union view was challenged by Mr Peter Medcalf, president of the BPPF, who said: "There is now virtually unanimous resolve across our membership to reject the NGA's claim for money over that agreed, with the other two unions."

But NGA sources said Mr Medcalf had sent a memorandum to his own firm, Hunt, Barnard of Aylesbury, Buckinghamshire, telling union chapel leaders that the company was "prepared to modify its attitude on suspension of craft printers without pay."

Provincial publishing and general printing employers meet tomorrow to discuss their next move in the dispute. The NGA's ruling national council does not meet until next Tuesday.

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\$500m loans to prevent collapse of US bank

From Anthony Hilton

New York, April 29
In the largest bank rescue undertaken by the Federal Deposit Insurance Corporation, the troubled First Pennsylvania Bank has been loaned \$500m (nearly £220m) to prevent its possible collapse.

First Pennsylvania, based in Philadelphia, has 69 offices in the United States and branches around the world, including London. It is the 23rd largest bank in the United States having slipped from 20th position two years ago. It is also Pennsylvania's largest bank.

According to its last balance sheet it has deposits of \$5,300m and assets of \$8,400m and \$74,000 deposit accounts.

The rescue package consists of a \$1,000m line of credit plus \$325m in loans from the Federal Deposit Insurance Corporation and \$175m in loans from 22 banks. The loans are for five years with the biggest slice coming from Citibank, although the exact amount has not been disclosed. A further \$25m is being provided by local banks within the state.

Some \$700m of short-term money has already been loaned by the Federal Reserve Board to First Pennsylvania and this will continue to be available as needed.

According to Mr George Butler, First Pennsylvania's chairman and chief executive, the bank's viability would have been seriously threatened "without the rescue package."

The bank has had managerial and trading problems for several years but has been generally profitable. However, in the first quarter of this year it lost \$6.4m, of which \$1.4m arose from losses on securities. In the same period last year the bank made a profit of \$5.7m.

The bank's loss primarily reflects the mismatch of the bank's fixed rate assets and interest sensitive liabilities," Mr Butler said.

What this means is that between 1976 and 1979 it invested

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The union view was challenged by Mr Peter Medcalf, president of the BPPF, who said: "There is now virtually unanimous resolve across our membership to reject the NGA's claim for money over that agreed, with the other two unions."

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Mr Nixon tells West disunity is dangerous

By Our Foreign Staff

The Western alliance will not survive and ultimately the West will lose a third world war unless it sheds its "obsolete and dangerously inadequate" habits of looking inward and transforms itself into a united force that thinks, prepares and acts globally, former President Richard Nixon said in London yesterday.

"The belief that the alliance can survive by defending the centre in Europe and need not act together to resist attacks on the perimeter, in the Third World, is a fatal delusion," he said in a speech prepared for a supper at the Hyde Park Hotel given by Sir Charles Forte, the chief executive of Trust Houses Fortran.

The transformation of the alliance, in which Europe's role would be vital, must not be military terms alone but also in economic and diplomatic spheres. "It means that we have to improve our intelligence and our covert action capability. It means that we need skilled diplomacy. It means that we must stand by our friends when they are threatened, and that in vital areas, such as Saudi Arabia, we must be prepared to use force if necessary to help them defend themselves."

A joint force to strike back at terrorists should also be formed, Mr Nixon said, and this should include continuous pooling of intelligence. "The objective is to deterrence by an international force specially trained, led and equipped for the task, and not paralysed by United Nations vetoes, hamstringing by United States Congress, or hobbled by the shackles of the American Congress has laced on covert action by the Central Intelligence Agency."

The process of becoming a global alliance rather than just an Atlantic alliance did not mean blindly following the American lead.

A new strategy for the West would mean "recognizing that different individual members of the alliance have particular strengths, or particular ties, that enable them to take the lead more effectively than others in particular situations that affect the future of all of us."

The important thing was to get together to face "the most important problem facing the West: the threat to our supply of indispensable raw materials which is presented by continuing Soviet conquest and the escalation in the number of unstable, anti-Western regimes in the Third World."

Seen in this light, securing the release of the Americans held hostage by militants at the American Embassy in Tehran was a problem which though urgent for the United States in the short run—tended to obscure and delay the attention which should be given to the global threats to the West.

In all this, the part to be played by Europe was vital, the former President said.

"When the alliance was founded, Europe was weak at the centre, struggling back from the devastation of the Second World War. Now, though vulnerable around the world, Europe was strong at its centre."

"Today, it is fair to say that, without thorough-going European participation in both developing and carrying out a

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Alfred Hitchcock aged 80

sales, April 29—Sir Alfred Hitchcock, whose films terrified audiences for half a century, at the age of 80. The death was not disclosed until yesterday.

Recently, he spent a day in a medical centre for tests. He was born in Exeter, Devon, and had suffered from arthritis for many years, the cause of his death, it was said.

S Africa police arrest 400 protesting pupils

About 400 Coloured high school pupils were arrested and charged with offences under the Riotous Assemblies Act after incidents at a demonstration in Johannesburg. Mr Pieter Botha, the Prime Minister, speaking in Parliament on the spreading class boycott by Coloured pupils, said that extra-parliamentary action would be met with the full might of the state. The pupils' action was supported at demonstrations at university students in Cape Town and Durban.

Legal plea over May 14

The Institute of Directors has asked the Government to intervene legally in the TUC's "day of action" next month, so that employers can sue trade unions for financial losses.

Jaguar strike ends

The remaining opposition to BL management's imposition of a pay and conditions package crumbled when 1,600 Jaguar workers voted to end their three-week strike. But a new dispute at Cowley over changes in "logging-up" allowances threatens output of Maxi, MGB G3, and Princess models.

Japan pays to flood River Kwai railway

Japanese money will help to pay for a hydro-electric dam being built at Khao Laem in Thailand which will flood part of the Japanese military railway constructed by allied prisoners during the Second World War which featured in the film Bridge over the River Kwai. More than 12,000 prisoners died building the line.

Peach 'hail of missiles'

The Blair Peach inquest in London was told that a "hail of missiles" had been directed at police during the demonstration in Southall in which Mr Peach died. Several witnesses said they were struck by police officers.

Drive for dog wardens

A campaign for a national dog warden service funded by an increase in the licence fee from 37p to £5 was launched in London. The aim is to reduce the estimated 500,000 strays in Britain.

Banking hours threat

The 130,000-strong Banking, Insurance and Finance Union is opposed to any extension of bank opening hours and has instructed its leadership at the union's annual conference in Folkestone to call for industrial action over attempts to introduce late-night opening.

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HOME NEWS

Employers seeking to sue unions for financial loss through May 14 'day of action' protest

By Paul Routledge
Labour Editor

The Government has been asked to intervene legally in the TUC's forthcoming "day of action" so that employers could sue trade unions for financial losses caused by industrial disruption.

Sir Michael Havers, QC, the Attorney General, was yesterday pressed by the Institute of Directors "to make an early statement to clarify the legal position to employers". British industry could lose up to £15m in lost production on May 14, the employers argue, and that the burden should be borne by the unions rather than companies.

Mr Walter Goldsmith, director-general of the Institute, called for the legal statement in a letter to the Attorney General. He told a meeting of the Institute yesterday: "The day of action constitutes a political campaign against the Conservative Government."

"Not by the furthest stretch of the imagination can May 14 be called a trade dispute. Trade unions and their officers are immune from action in tort for damages or an injunction only when they cause injury 'in contemplation or furtherance of a

trade dispute'. They should think very carefully before exposing their members' funds to risk.

"The Attorney General should warn the TUC of the danger to which trade unions are exposed while there is still time for the day of action to be called off."

TUC leaders are aware that the industrial action which they have called in protest at Cabinet policies on the economy and labour law reform may entail a risk of litigation.

The TUC had nothing to add last night to a speech made by Mr Len Murray, the general secretary, five days ago, when he asked engineering employers in the West Midlands: "Are the critics challenging the right of workers to take time off, at their own expense, to exercise that right (of protest)? Or are they just trying to shut us up?"

In practice, the value to employers of a legal challenge to the day of action would depend on whether it was taken against a trade union in their own name or whether it was more general case against Mr Murray and the TUC General Council.

Supporting evidence for the employers' view was inadvertently given in a letter to trade union activists in the London area from Mr Jack Dromey, a veteran of the Grunwick strike and secretary of the TUC's South-east regional council.

The circular says: "May 14 is a day of critical importance for our movement. A major response will be a tremendous morale booster for our members. A poor response will only give heart to the Conservative Government. Let London's trade union and Labour movement now lead the way in demonstrating the opposition of our people to the dangerous and doctrinaire policies of this Government."

A similarly political view of the action is being taken by the TUC-affiliated union representing post civil servants, the First Division Association, which has advised its members to attend work normally and cross other Civil Service union picket lines if necessary.

Trains and buses are expected to be halted on May 14 as a result of official action by the transport and railway unions. Many other public services will function at emergency level only.

Finance watchdogs in Whitehall proposed

By Michael Hatfield
Political Reporter

Cabinet ministers are to hold a review of the Civil Service and departmental administration at their weekly meeting tomorrow.

Mr Margaret Thatcher has ordered the review in the light of the report of Sir Derek Rayner, joint managing director of Marks and Spencer, who conducted an inquiry into Whitehall administration.

Several options have been put

before ministers and the Prime Minister wants an early decision. She is anxious to tighten up the financial scrutiny inside departments and there are suggestions that Treasury officials should be appointed to each department.

Civil servants might resist the idea of appointing Treasury officials to their departments because they could be seen as Treasury "snoops" whose loyalty would not be towards the individual departments.

Council wages cannot rise with inflation, leader says

By Christopher Warman
Local Government Correspondent

Local Government could not afford to pay its employees wage rises in line with inflation, Sir Gervais Walker, chairman of the Association of County Councils, said yesterday.

They were worried at the prospect of pay demands from their white collar workers, police, firemen and manual workers. The National and Local Government Officers' Association, with 470,000 staff, had spoken in terms of increases

in line with inflation, Sir Gervais said.

"A level of pay rises on what is considered to be the present level of inflation really cannot be met. There is not that kind of money in local government to pay these extortionate demands. It was economic stupidity."

After comparability payments there was enough left for local governments to pay increases of 7 to 9 per cent and they could hold the position at 10 per cent; but there was no sign that the unions would accept such a thing, Sir Gervais said.

Jaguar men vote to end strike

By Clifford Webb
Midlands Industrial Correspondent

The remaining opposition to BL management's imposition of its pay and conditions package crumbled yesterday when 1,600 Jaguar workers voted overwhelmingly to end their three-week strike.

But as one strike ended a new dispute broke out at Cowley, the largest car plant in the group. In a second dispute over changes in "toggling" allowances for men doing dirty work, 57 paint sprayers were taken off the clock and walked out in protest. A further 360 paint shop employees were laid off.

Output of Maxi, MGB GT and Princess models is continuing, using existing stocks of painted bodies, but will be halted shortly.

Like workers in the recent strike at Longbridge, the Cowley paint sprayers are objecting to donning protective clothing in their own time, although since Easter they have been receiving £3.12 a week increase in their special allowance, which entitles them an extra £11 a week.

The Jaguar men meeting in the Central Hall, Coventry, had been expected to be a formality after 16 hours of peace talks between shop stewards and management over the weekend. In the event it proved to be tough and go.

The deciding factor was a speech by Mr William Lapworth, the Coventry divisional organizer for the Transport and General Workers' Union. Workers leaving the meeting said that until Mr Lapworth spoke the men were evenly divided on whether to end the strike.

He had insisted that nothing less than the future of Jaguar was at stake. In his view Sir Michael Edwards, chairman of BL, would not hesitate to sacrifice Jaguar to safeguard the recovery plan for the group as a whole.

Sir Michael had originally set a deadline for the strikers to return to work on Monday or else discontinue an industrial action, but he extended that to give them time to vote on a peace formula arrived at on Sunday evening.

Police helped to clear tin tracks scattered in the road to get them through. Two ranks of more than 350 pickets lined the road outside the works of the Wolverhampton Express and Star yesterday as bitterness grew in the regional newspapers dispute.

Sixteen members of the National Graphical Association were arrested on the picket line outside the works of the Wolverhampton Express and Star yesterday as bitterness grew in the regional newspapers dispute.

Among those arrested for alleged obstruction, assault or breach of the peace was Mr Robert Tomlin, of Beverley Crescent, Bedford, a national organizer of the NGA. It was his second arrest in two days.

With 12 others he later appeared before local justices, and was granted bail on condition that he left the town before midnight and did not return until May 30, when the cases will be heard.

Then it was learnt that at Telford, the home of the Shropshire Star, a sister paper of the Express and Star, pickets who are members of the Society of Lithographic Artists and Designers (Slade) and the National Society of Operative Printers, Graphical and Media Personnel (NAGM) had been suspended. They had refused to work with the management in producing the paper, which nevertheless came out in one edition only.

The combined circulations at Telford and Wolverhampton are between 333,000 and 335,000. An official at Telford said last night: "It is our intention to continue publishing."

Picketing will be intensified at Wolverhampton today but doubts were expressed about Natsopa and Slade men continuing to help in production after the lead set by Telford.

The Express and Star's journalists were divided last night, with 70 deciding to go in to work but 40 saying they would obey NUJ instructions not to cross the picket lines.

At the Birmingham Post and Mail, which have not published since last Friday, it was said no papers would appear today. There is considerable concern, apparently, over the Express and Star's "infiltration" of the fringes of the group's circulation area.

Norwich: East Anglia has an acute shortage of newspapers as provincial managements fall in behind Newspaper Society policy and suspend NGA printworkers.

Such reports are made initially to the aviation authority in charge of the air space in which the alleged incident occurred. In this case the incident was undoubtedly scrutinized closely by the team which is investigating the Dan-Air accident, to see if it has any bearing on it.

The Britannia Airways airliner was approaching the new airport at Tenerife South when the crash occurred. The Dan-Air flight had been intending to land at the older airport at Los Rodeos.

level to both them and the crew of the 707. When they received the instruction, the level was changed.

Although there was no near collision, the 737 crew has filed an airman's report.

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Union deals blow to hopes of white collar group

By Our Labour Staff

The white collar Engineers' and Managers' Association was yesterday dealt a serious blow by the decision of the EMEA, the confederation of the EMA's, to refuse to endorse the EMA's application for membership of the Engineering Employers' Federation, which negotiates nationally with the CSEU.

The EMA's application was rejected by the EMEA's Technical, Administrative and Supervisory Staffs' section, which was certain to oppose the EMA's application.

A 'near miss' reported at scene of Tenerife crash

By Arthur Reed
Air Correspondent

Two British-registered airliners were cleared for the same flight level by Spanish air traffic controllers, in the same area, and at about the same time last Friday as the Dan-Air Boeing 737 crashed into the side of a mountain in Tenerife, with the loss of all 146 on board.

The airliners were a Boeing 737 Britannia Airways, the Luton-based package holiday airline, and a Boeing 707 of British Airways, the British Airways package holiday subsidiary airline, based at Gatwick.

The crew of the 737 apparently heard air traffic control giving a similar flight

Teachers put pay before conditions on talks timetable

By Diana Geddes
Education Correspondent

Teachers' local authorities yesterday said they were not willing to discuss conditions of service with the teachers' union until pay talks are resumed in the Burnham Committee on Friday.

The Council of Local Education Authorities wrote last Friday to Mr Douglas McAvoy, convenor of the teachers' side on the joint committee between teachers and the authorities, expressing disappointment that the teachers had failed to supply dates for future meetings and proposing tomorrow.

The sole item of business for that meeting would be "to discuss the intention of both sides to continue serious negotiations... on teachers' conditions of service in order to define so far as is practicable the total teacher's job having regard to the Clegg committee's concept of a teacher's professional obligation to pupils, parents and schools, and to seek a conclusion before the 1981 pay negotiations", the letter said.

The employers have received letters from four of the five teachers' unions represented on the Burnham Committee in reply to their request for unions to record their intentions to continue serious negotiations on conditions of service... without delay."

Weather forecast and recordings

By Our Defence Correspondent

British nuclear test carried out in Nevada

The Ministry of Defence will not confirm that it was linked to the £1,000m Chevaline programme.

A spokesman said that "a nuclear device was exploded on the Nevada Test Site, deep in the Nevada desert, at 11.02 a.m. on May 14. The explosion was below the Soviet-American agreed limit of 150 kilotons, equivalent to 150,000 tons of conventional explosive."

Claim about Turin Shroud put in doubt

By Clifford Longley
Religious Affairs Correspondent

Claims that the Shroud of Turin can be traced back to at least the sixth century AD have been challenged by a leading scholar of the Byzantine period. It also casts doubt on the shroud, which is alleged to be the burial cloth of Jesus Christ, has no recorded history before the fourteenth century, and the case for its authenticity is seriously weakened.

Doubt was thrown on the shroud's provenance last night by Professor Averil Cameron, the new Professor of Ancient History at King's College London, in her inaugural lecture given to an audience including many prominent Byzantinists.

She capped her argument by showing how the multiplication of religious tokens and relics had often been used by one side or another in the evolution of religious teaching, which was usually closely tied in with political considerations of the day.

Professor Cameron is now disputing the case for regarding the shroud and the Mandylion, another famous Christian relic, as the same object.

The Mandylion has not survived since that name to the present day, and a number of advocates of the shroud's authenticity have argued that it was the Mandylion, wrapped with a different name, and hence that the shroud could be traced back far nearer to the time of its alleged origin.

That theory seemed to have met one of the principal objections to the shroud's authenticity as 2,000 years old, and it was popularized in the book and film called *The Silent Witness*, made a few years ago.

The Mandylion first appears in history in the ninth century in Edessa. Professor Cameron relates it to a legend of a King Abgar, a contemporary of Jesus, who was supposed to have received a letter from Jesus, and whose messenger painted a portrait of Jesus at the same time.

"It would be a serious mistake to relegate such items as the image of Edessa to the realm of popular religion, not shared by intellectuals," Professor Cameron said last night.

"The fact is that in late antiquity, religion, that is, Christianity, played the role described in our day by Michel Foucault, rightly or wrongly, to sexuality. That is, it had come to occupy every aspect of thought and life, every mode of reasoning and every activity. It worked as a power structure, and through the power structure, it worked as a power structure."

Naturally, then, the government used tokens of Christianity, the Virgin's Robe, the most revered icons, as instruments of power and authority. In such an atmosphere the multiplication of religious tokens was almost inevitable, especially if they were used in asserting the truth of one side or the other in the disputes."

The Mandylion was not mentioned in one of the most reliable reports of the seizure of Edessa in AD 544, which throws great doubt on its existence at that time.

Only subsequent less reliable accounts speak of it. In the next few centuries accounts of this object change it gradually from a painting produced by human hand, to an icon produced miraculously, and much later to a piece of cloth. It is this last description of it that led to it being identified with the shroud.

Without any previous history known, the authenticity of the shroud has to rely on other evidence, Professor Cameron concluded.

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£2m stolen gems found by police in London raids

Stolen jewelry valued at more than £2m was recovered in raids on addresses in north London by Flying Squad officers, it was disclosed yesterday.

The haul apparently included gems valued at £750,000 snatched in an armed robbery at Hogg Diamonds, Kirby Street in Clerkenwell, London, on February 11.

The police raids were carried out by officers based at Finchley, led by Det Chief Inspector Anthony Lundy. Four men were later being interviewed by the police.

The gang involved in the Hogg Diamonds robbery attacked Mr Wilfred Hogg, a dealer, near his London office.

To establish who owned the rest of the recovered property police will check items stolen in recent thefts. They will also call on executives of firms that have been robbed to see if they can identify jewelry.

Son on murder charge

Dennis Stephenson, aged 50, an unemployed foundry worker, was remanded in custody for seven days by Highbury magistrates yesterday accused of murdering his mother, Mrs Lillian Stephenson, at their home in Bank Street, Langley Mill, near Nottingham.

Dublin promises £300,000 for London Irish centre

By John Young

A £1,750,000 plan for the extension and improvement of the Irish Centre in Camden, London, was announced yesterday at a luncheon at the House of Lords.

The Irish Government has promised a contribution of £300,000. About the same amount has been committed by various organizations. It is hoped that the balance will be met by contributions from individuals with links in both countries.

The centre, established in September, 1955, has helped many newly arrived men and women from the republic and

Services awarded up to 20% rises

By Henry Stanhope
Defence Correspondent

The 319,000 members of Britain's Armed Forces have been awarded pay rises of between 14 1/2 per cent and 20 per cent backdated to April 1. The £290m package, which was welcomed by the Services, was announced by the Prime Minister in the Commons yesterday.

The increases, which raise the Armed Forces salaries bill by 16.8 per cent, come after the recommendations of the Review Body on Armed Forces Pay, whose report was published simultaneously.

They bring the top pay for a fully trained private soldier and equivalent ranks in the other two Services to £5,011; for a regimental sergeant-major to £5,201; and for a brigadier, the highest rank dealt with by the review body, to £18,250, a rise of £3,000.

The percentage rises vary because the review body was concerned to restore differentials

British nuclear test carried out in Nevada

By Our Defence Correspondent

Britain carried out a nuclear test, its first this year, at the American underground test site in Nevada last night. The test was conducted last August.

The Ministry of Defence will not confirm that it was linked to the £1,000m Chevaline programme.

A spokesman said that "a nuclear device was exploded on the Nevada Test Site, deep in the Nevada desert, at 11.02 a.m. on May 14. The explosion was below the Soviet-American agreed limit of 150 kilotons, equivalent to 150,000 tons of conventional explosive."

Weather forecast and recordings

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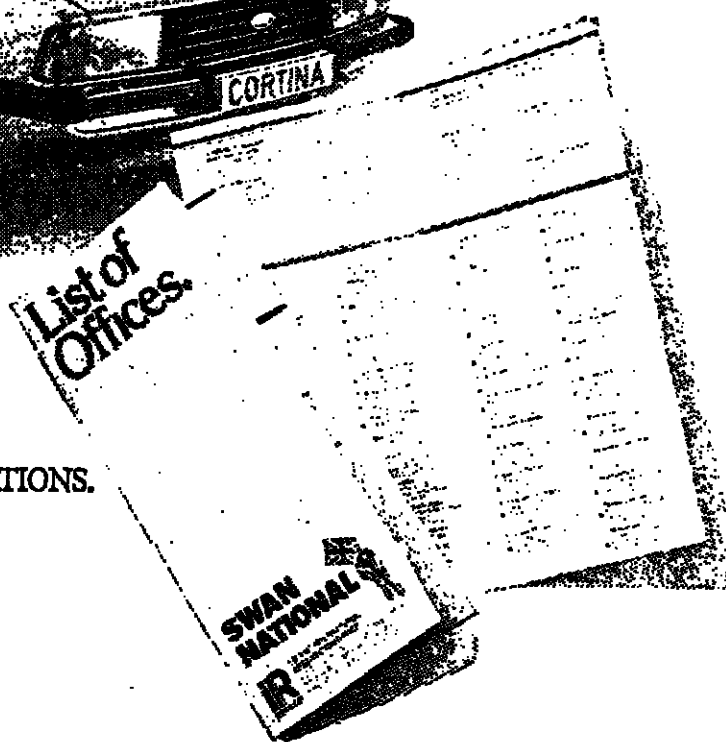
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SWAN NATIONAL



HOME NEWS

Blair Peach inquest told of a 'hail of missiles'

By Nicholas Timmins

Evidence that a petrol bomb was thrown at a police bus, that a "hail of missiles" was directed at a police car, that a girl was struck by a policeman on the head as she fled from him, and that officers struck another witness about the face, was given to the Blair Peach inquest at Hammersmith Coroner's Court in London yesterday.

Miss Lee Tyler, a student, aged 17, of Ladbroke Grove, west London, said that she had heard older Asians arguing with younger ones during the demonstration against the National Front election meeting in Southall last April.

The younger Asians wanted to push over a police coach and Asian women and children were moved to one side before a crate with bottles and stones on it was produced from a side street.

A police van came down the road and picked up the crate. A stone was thrown towards the coach, which, she agreed in cross-examination, seemed to be a signal. "More bottles

and stones were flying everywhere, hitting the coach."

Then a petrol bomb, "a milk bottle with a rag in it", was thrown on to the roof of the coach and ignited before falling off.

The coach was driven away and she moved back into Beechcroft Avenue, the road in which Mr Peach suffered his fatal injury. A police van turned into the road opposite and an officer got out and arrested a small West Indian boy, aged 12 or 13, dragging him into the van.

"People got quite angry about that," Miss Tyler said. "They started throwing things again. Some of the stones hit the back of the van and broke the back window of a car."

She went down Beechcroft Avenue and looked back to see the police forming at the top. "A few people threw things, but they stopped and started to run. I heard screech and saw a police van just come to a halt. About six policemen got out. Four of five of them were holding truncheons."

Miss Tyler ran into a garden and hid behind the fence, but

realised she might still be seen. She saw her friends not far away, and went with them down the alley. One friend slipped, and Miss Tyler looked back to see a policeman coming.

"I realised he was coming after me, so I carried on running down the alley. I felt a thud on my head and I fell over. I realised that I had been hit. She was not running very fast, as she was wearing cowboy boots which hurt her. "I was hit from behind across the cheek and the side of the face."

She looked up and saw a policeman still chasing a man who had entered the alley in front of her. Her vision was slightly blurred. When she looked up again, "the man had his back to the wall with his arm up over his face, protecting it."

The man's knee was raised across his body, and the policeman "was just beating him across the knee with his truncheon."

Miss Tyler, who is about five feet tall said she was a member of the Anti-Nazi League and was a member of the Socialist

Workers Party at the time of the events in Southall. She did not go to hospital for a day or two after the incident, in spite of headaches and a split ear or make a statement to the police, because she was in care at the time and afraid people would get into trouble if it was found she had been at the demonstration.

The police had visited her in July, after interviewing her friends and realizing she must have been there.

Mr Harry Tait, aged 33, a student, of Moreton Towers, Acton, London, said that he was at the bottom of Beechcroft Avenue when a blue Special Patrol Group van drove fast down it. Police piled out, some with truncheons raised, some with riot shields.

"There was a general panic," Mr Tait said. A policeman put his arm around his neck and he was thrown to the ground. Another policeman pointed his truncheon at him "like a sword". "He went straight for my groin with it." He twisted, and the blow struck his pelvis.

A third policeman said: "So you like Paki bastards", and

hit him across the face. He protested that he had not done anything and was hit again. His nose and face were bleeding and his mouth was cut.

He did not make a statement to the police until they came to see him in July. In answer to questions from Mr Brian Watling, QC, counsel for the Metropolitan Police, who asked him why he did not report what appeared to be a nasty assault when the police were mounting an exhaustive investigation, he said that what happened to him did not seem particularly significant.

"I was just one of many," he said. "Most people's injuries were much more serious than mine." He did not think he could identify the police officers responsible.

Mr Charles Dean, aged 32, a school caretaker, of Fairbridge Road, north London, told of a police charge in the roadway, and of a coach with a policeman on board being driven at speed at the crowd and through a police cordon. "It was lucky that no one was killed at the time", he said.

Doctor criticized for not telling relatives

By Annabel Ferriman

Health Services Correspondent

The relatives of a middle-aged woman dying of breast cancer were not told that she was suffering from a fatal illness until a month before she died the Health Service Commissioner's report, published yesterday, says.

The daughter of the dead woman complained to the commissioner that her mother was persistently misled by her consultant into believing that her prognosis was good and that she, the daughter, had only learnt her mother was fatally ill from the family doctor mentioned in a passing, thinking the family knew.

Mr Cecil Clough, the Health Service Ombudsman, said that he did not question the consultant's decision not to tell the patient that she was dying because that was a matter for his judgement.

He upheld the complaint that the relatives were not told, however, saying that it was the consultant's normal practice to do so; but he had inadvertently departed from it.

He recommended that medical staff make the family relatives were informed or, when they did not accompany the patient, the family practitioner was told.

The commissioner dealt with 67 cases in the eight months up to March 31, 1980, of which some justification was found in 52.

The parents of a premature baby admitted to a special baby

unit complained that it was unreasonable that, because of the visiting practices at the unit, the father had to wait five weeks until the baby's discharge before he was able to hold her; and that the mother's access was limited to one hour a day until she was allowed to feed the baby, a week before the infant was discharged.

Mr Clough criticized the unit's restrictions on visiting. As a result the area health authority agreed to review the practice about access in cases where a baby was expected to remain in a special care unit for a significant period.

He also upheld the complaint of a general practitioner who had to wait more than two years for an explanation of why the arrangements in his area for out-patient treatment of drug addicts had been changed with the result that no clinic was available for his patients.

The commissioner said the delay and confusion disclosed by his inquiry were deplorable. He considered the authority should take urgent and positive steps to settle arrangements.

He authority did so. In finally replying, it apologized for its shortcomings.

Health Service Commissioner's Fourth Report for session 1979-80 (Stationery Office, 55p).

MPs demand: Mr Frank Dobson, Labour MP for Holborn and St Pancras South, has called for reports by the Health Service Ombudsman naming the health authority concerned to be made available to the public and press in the relevant area.

Leading article, page 17

Ambulance men praise planned changes in NHS

By A Staff Reporter

The Government's plan to reorganize the National Health Service would improve emergency and general services, the Ambulance Services Institute says in a report.

The proposal to abolish area health authorities, published in the document, *Patients First*, would improve standards at a time when demands on ambulance services were increasing.

The institute, one of the main professional ambulance organizations, believes plans for regional funding would remove the ambulance service from the local political arena and allow poorer services to be improved at little extra cost.

The report also recommends further training of ambulance workers to deal with demands caused by the greatly increasing number of elderly patients which require non-emergency transport.

Patients First was strongly criticized recently by the research group, the Outer Circle Policy Unit, which said it would achieve little and cause widespread disruption.

Future of the Ambulance Service (ASU, 28 Little Norton Lane, Sheffield 8, South Yorkshire).

Harassment fear 'detering housing moves'

By Our Home Affairs Correspondent

Fear of racial harassment on isolated housing estates has deterred people from moving from overcrowded old houses in Southall, London, the Ealing Housing Aid Service said yesterday.

A report detailing the plight of black and Asian families, says the service has "concrete evidence of severe racial harassment on council estates."

The report adds: "It is therefore not surprising that people are extremely reluctant to go to areas like Northolt and Acton, which contain over 50 per cent of the council's total housing stock."

Calling for a greater increased housing programme, the service says: "If families in housing need could afford to buy their way into better housing they would have done so already."

The rapidly shrinking commercial private rented sector provides very little accommodation, especially for black people."

Southall ignored: A report on housing conditions in Southall, a company of civil engineers, 32/94 Warwick Road, London W5).



Royal Academy hanging day: Members of the hanging committee at work on some of the 3,091 selected exhibits from which the Academy's summer exhibition will be created. They are (left) Frederick Gore, William Scott, Leonard Rosoman, Ruskin Spear and Ian Stephenson.

Tipping on designated site in Glamorgan questioned

By John Young

Planning Reporter

A Welsh council's expected decision to permit the dumping of rubble on a site officially designated as of special scientific interest seems certain to give rise to some embarrassing questions.

The site, in West Glamorgan, is known as Pantysall Fens. According to Dr Tony Cadwaladr, the Nature Conservancy Council's regional officer for South Wales, it forms part of the same hydrological system as the Crumlin Bog near by. The area is an important habitat of rare sedgeland plants and is classified as of Grade 1 national importance.

In recent months Maurice Bros, a company of civil engineers, has been granted a compulsory purchase order after a public inquiry.

has a lease on part of Pantysall, has been using it for unlicensed tipping.

At a meeting with Neath District Council yesterday the company agreed to apply for a licence under the Control of Pollution Act, and Mr Ivor Thorne, the council's clerk and chief officer, said afterwards that he had been given to understand that a formal planning application would also be submitted.

Mr Thorne said he was not aware that the site had been designated.

According to Dr Cadwaladr, however, only three years ago the council sought the NCC's advice on the importance of the site and was granted a compulsory purchase order after a public inquiry.

Invalidity pension pledge given

By Pat Healy

Social Services Correspondent

The Government yesterday responded to the growing protests over the proposed cut in invalidity pensions next November by promising to restore the value of the benefit when it was brought into tax.

Mr Patrick Jenkin, Secretary of State for Social Services, made clear in the Commons, however, that the promise depended on economic circumstances.

He said: "I can give the House this assurance about invalidity benefit: when it comes into tax, subject to the availability of resources, we shall put back this benefit to what it would have been had it stayed in step with retirement pension this November."

At face value, Mr Jenkin's statement implied that invalidity pensioners would receive

an increase in November, 1983, of 15 per cent more than retirement pensioners. The Social Security (No 2) Bill, now in standing committee, proposes to give the Government power to reduce by 5 per cent in increased pension fully in price protection invalidity pensions and short-term benefits in each of the next two years.

A 5 per cent cut is already proposed for this year as an interim measure until the benefits affected can be brought into tax in 1983. But ministers have admitted that 400,000 invalidity pensioners, more than two thirds of the total, would not pay tax if the benefit was taxable now.

That has led disability organizations to protest both at what they described as an "unfair" loss of the long-term sick and disabled.

Mr Jenkin's announcement met with little enthusiasm.

Labour members of the standing committee said that it would still be unfair to subject invalidity pensioners to the 5 per cent cut this year.

Organizations for the disabled said that it was the only logical step for Mr Jenkin.

"It would have been scandalous if he had not given this assurance," Mr Peter Mitchell, head of research at the Royal Association of Disability and Rehabilitation, said.

"It is no great concession if they are going to put invalidity pensions back to square one. It simply means that they are not taking the money away twice," he said.

Labour MPs were preparing last night to press a series of amendments designed to exclude from the proposed per cent cut all people receiving benefits below the tax threshold.

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Countryman may go on up to another year

By Stewart Tendler

Crime Reporter

Operation Countryman, the investigation into allegations of police corruption in London, could last up to another year in processing prosecutions even if there are no further arrests.

The inquiry began in the summer of 1978 with allegations against the City of London force and broadened to include officers of the Metropolitan Police. The centre of the allegations concerned three big constables, two of whom were officers and one at a City bank.

So far four policemen and two civilians have been charged with various offences and another four officers have been suspended. The first two officers facing charges will not face criminal proceedings until the end of this year, so a trial is unlikely until well into next year.

A date for criminal proceedings against the next two officers is likely to be set during the next few weeks. That would probably mean that their trial also would not be until next year.

Another indication that Countryman is likely to continue for some time is the fact that Mr Leonard Burt, assistant Chief Constable of Dorset, is to return to control the investi-

gation after a period with his own force.

In what shape Countryman will survive is not clear. Eighty provincial officers are involved, but that number would be scaled down if there were no further investigations.

The operation has often been the centre in recent months of controversy and criticism and there has been speculation that changes might be made, but there have been official denials at suggestions of debate within the Home Office.

Critics of Countryman point to its poor record. One detective has returned to duty after suspension and another has had a charge against him withdrawn in court. Senior officers have complained at undue secrecy surrounding the inquiry.

The complaints may be given by the new yesterday that two officers had been restored to Scotland Yard's complaints investigation bureau after an inquiry initiated by Countryman. The men, a detective superintendent and a detective chief inspector, were moved to uniform posts after complaints from Countryman.

The complaints were investigated by a deputy assistant commissioner and two men were cleared. They returned to the bureau at their own request.

900lb bomb defused by Army in Ulster

From Christopher Thomas

Belfast

Army bomb experts yesterday completed a 12-hour operation, spread over two days, to defuse 900lb of explosives hidden under a road near a village in Co Tyrone.

The home-made explosives, packed into nine milk churns, primed and ready for detonation by a command wire, were found by an Ulster Defence Regiment soldier on routine patrol.

They were hidden in a culvert a mile from Cappagh, about ten miles west of Dungannon and were discovered when the patrol was investigating a suspicious car. The area was declared clear at 2.30 pm.

The Ulster Volunteer Force said yesterday that "loyalist" prisoners in Crumlin Road Prison, Belfast, had damaged their cells when some prisoners were punished for taking part in a demonstration against the republican parade in the prison at Easter. They claimed that four prisoners were injured.

The Northern Ireland Office said that furniture was smashed in several cells last week after inmates had been locked up for the night. Pieces of furniture were being used to damage the cells.

At no time was there any confrontation with members of the staff and no injuries were suffered by any inmate. There was no question of any group or faction in the prison being given permission to parade, the officer said.

Belfast shooting: Mr George Kerr, aged 44, a plumber's mate, was shot dead in his bed in east Belfast early yesterday by a man who forced his way through the front door.

Investment incentives: Mr Humphrey Atkins, Secretary of State for Northern Ireland, said yesterday that Ulster would continue to have by far the most attractive investment incentives of any region of the United Kingdom.

He told the Chamber of Commerce and Industry that he did not accept that Northern Ireland should be insulated from public spending restraints.

Two die as fighter bomber crashes on Dorset farm

From Our Correspondent

Bournemouth

The crew of two of an American F111 swinging fighter bomber were killed when it crashed on farmland in Dorset yesterday. The aircraft was on a routine training flight from its base at Upper Heyford, Oxfordshire.

The United States Air Force said there was nothing to suggest that a second jet on the same mission had been involved. The crew of the crashed aircraft comprised the pilot and weapons system officer.

Although the aircraft can carry conventional nuclear weapons it was not armed, the USAF said. It crashed at Mapperton farm, just west of Wimborne Minster.

A delivery man said: "The plane came straight out of the sky and hit the ground." Mrs Mabel Pound, who lives in a cottage at the farm, said she heard a terrific explosion. "I looked across the fields and saw two lots of fire. Cattle were panicking and running about."

Military aircraft joined the search for the aircraft's bodies. The Dorset police declared the area a restricted zone.

Light breakfast for hospital patients delayed

By A Staff Reporter

Pressure from doctors, nurses and catering staff has forced east Berkshire to postpone the introduction of a Continental breakfast for hospital patients in place of the standard bacon and tomatoes.

Mr Stewart Hinder, the district administrator, said that would enable the Berkshire area health authority to postpone its decision to save £18,000 by introducing the new menu of rolls and butter for all patients.

"We would like a little more flexibility in this directive", he said. "It would be sad if patients in long-stay hospitals faced this Continental breakfast for the rest of their lives."

Harvesting of live deers' antler velvet faces ban

By Hugh Clayton

The Government is to ban the harvesting of velvet from the antlers of live deer. Mr Peter Walker, Minister of Agriculture, Fisheries and Food, said yesterday: "I think it is important that we deal with this undesirable practice before it becomes a feature of deer farming in this country."

Velvet is a soft coating on the growing antlers which hardens as the antlers mature. When it is harvested the young antlers are seen off the living animal and the velvet can be worth well over £100 from one red deer. It is an ingredient of oriental medicines and aphrodisiacs.

Nuclear experts study chance of catastrophe

By Pearce Wright

Science Editor

The hazard of placing a liquid gas terminal close to the installation for handling waste nuclear fuels at Barrow-in-Furness are being assessed by the safety and reliability division of the Atomic Energy Authority.

An interim report on the development says a substantial spillage during unloading of hydrocarbon condensate "could possibly result in fire engulfment of a ship unloading spent nuclear fuel flasks at the facilities of British Nuclear Fuels in the same basin."

The safety experts believe that the fuel containers would withstand such an incident.

Before planning approval is given the local authority has agreed to consider submissions from the Greenpeace organization, the Political Ecology Research Group and the Barrow environmental action group, which have been working together in analyzing the hazards.

The consequences of shipborne fire are not in dispute between British Nuclear Fuels and the environmental groups. The difference between them is that the fuel company believes the sequence of events leading to such incidents is too unlikely to be credible.

Conversely, the Political Ecology Research Group and Greenpeace argue that even a million-to-one chance of an accident is intolerable.

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Wales 'faces unparalleled austerity'

From Tim Jones

Cardiff

This decade will be one of unparalleled austerity and record unemployment in Wales unless government economic policy is changed according to a survey released yesterday by the Institute of Economic Research at the University College of Wales, at Bangor.

The survey, commissioned for BBC Wales, forecasts that unemployment will have most doubled to 172,000 by 1983. The figures come before the

weekend conference of the Wales TUC, where a host of resolutions will call for all out industrial action to prevent the British Steel Corporation from negotiating 19,000 redundancies at Shotton, Llanwern and Port Talbot.

A resolution from the engineering workers' union urges a campaign "to stop the destruction of the steel industry, thereby preventing the devastation of the whole of the Welsh economy."

The institute says in its report that the proposed reduction in one year of 40 per cent of jobs in steel in Wales will take place in areas which have low unemployment.

For every 10 jobs lost in steel, three more would disappear in related industries, making a total of 25,000 redundancies if British Steel's plans were implemented.

If the Government altered its economic policies based on monetary restraint and a reduction in the Public Sector borrowing requirement, immediate growth prospects would be possible.

Steelmaking at Llanwern, in South Wales, will be severely reduced for at least a week after a "blow out" yesterday at the No 3 blastfurnace, which is one of Britain's biggest.

The accident occurred when molten iron and slag exploded out of the hearth which was recommissioned earlier this month after the three-month steel strike. Although the blast was heard for miles around, no one was injured.

'Blow out' cuts steelmaking at Llanwern

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Mr Leeming said the last meeting with the Home Office was on the island last November. "They have used every trick in the book to stall another meeting. We say Lincoln must be changed."

Manx Radio began broadcasting in June, 1964. The Isle of Man is not part of the United Kingdom but is a crown dependency responsible for its own affairs. In 1952 it decided that broadcasting, like foreign affairs and defence, should be handled in London on its behalf.

Now it is accusing the Home Office of a breach of faith and of "behaving in the classic mould of colonial thinking."

The Home Office last night would not discuss the matters to be raised at today's meeting.

Buy Punch for the fun of it

HOME NEWS

Miami air route awarded to Laker

Arthur Reed
Correspondent

Laker Airways has been selected by the Civil Aviation Authority to open a scheduled service between London and Miami in addition to British Airways, which is already on route.

The authority preferred Laker Air Europe, which also applied for the licence for a service in London which ended Monday. It gave no reasons for the decision but said that it did not publish them soon.

Sir Freddie Laker, chairman of Laker Airways, said yesterday that the new service would begin on May 22, using McDonnell Douglas DC10 aircraft. Flights would be three weekly, increasing to daily in winter.

The authority's decision came after years of rivalry with aviation departments on both sides of the Atlantic. Sir Freddie has three important routes to the United States: between London and New York, Los Angeles and Miami.

After, however, is not being met the right which it filed, to fly to Miami from Manchester, Preswick, Scotland, Gatwick airport, London. The authority appears, in its main decision, to have favoured an established route with wide-bodied jets operating transatlantic routes. Air Europe, which formed only last year and short-range Boeing 737s package tours to Europe, said at the hearing that it would have to lease bodied airliners for the Miami route, but would buy type of aircraft later. It yesterday that it was considering an appeal.

British and two United States airlines are allowed to fly between London and Miami, which has become popular as a holiday destination for many, under an amendment let recently to the Bermuda agreement.

Freddie told the hearing he proposed single fares for the route ranging from £200 my during the high season to £100 standby in the low season. His airlines would not have a first-class cabin.

Art man 'out hospital soon'

Keith Castle, the heart patient, who is back at hospital, near Canterbury, is suffering from a mild case of pneumonia. He is expected to be discharged soon, it was stated yesterday.

Castle, aged 53, lives in London. He is the longest surviving transplant patient. He had a heart transplant last August.

Festival Hall tries to stem tide of ticket touts

Music Reporter

Festival Hall in London increased its efforts to curb the activities of ticket touts who cluster round the Bank concert halls before weekly popular concerts.

The hall's latest monthly are carries a warning to riggers about the touts. It aims to sell tickets for Bank events at double, or quadruple the face value, often after circulating rumours that tickets are available at the box office. Touts these tickets are

Boat man is honoured for Brina B rescue

Kenneth Voice, coxswain of Shoreham lifeboat, has been honoured for the rescue of a Greek ship, Athina B, which ran aground on Brighton beach in 1977.

The rescue operation lasted 12 hours and during it a wave of the lifeboat so high that it threatened to capsize.

Mr Voice has been awarded the silver bravery medal of the Royal National Lifeboat Institution.

RNLI also announced yesterday that a silver medal was awarded to Mr Trevor D. Coxswain of Padstow, Cornwall, which was awarded last December in recognition of his bravery in rescuing the ship, Skopelos Sky.

£5 licences proposed to fund national dog warden service

By Richard Ford

A campaign was launched yesterday for the setting up of a national dog warden service paid for by a large increase in the annual licence fee.

The proposed increase in the fee from 37p to £5 would ensure that the cost of operating the scheme would not fall on ratepayers. The cost of a licence has been unchanged since 1878.

The Joint Advisory Committee on Dogs in Society, which announced the plan, said that Britain's estimated 5,500,000 dogs should wear an identity disc showing that they were licensed and dog wardens should be given the right to inspect licences.

It said that the aim of the service, which would be run by district councils, was to reduce the estimated 500,000 strays in the country. It would also reduce the burden on the police, who deal with stray dogs.

The Government said in January that it intended to introduce a dog warden service in Northern Ireland. Now the committee wants a commitment that it will introduce legislation in the next parliamentary session for a service covering the rest of the United Kingdom.

Mrs Janet Fookes, Conservative MP for Plymouth, Drake, and vice-chairman of the committee, said when announcing the proposals in London yesterday: "We believe a dog warden service allied to an increase in the dog licence would be the most practical way of dealing with the problem."

Lassa fever scare at public school

From Our Correspondent

Bristol

Staff and pupils at Clifton College, a preparatory school in Bristol, were under medical observation yesterday after a boy aged 10 had been taken to hospital with suspected Lassa fever.

The boarder had come into contact with nine class mates and staff after flying to Gatwick from Lagos on Friday. He had been on holiday in Nigeria, where his father works as an engineer.

After he had arrived at the school the boy, who has not been named, complained of a high temperature and was taken to the sanatorium, and then to a £150,000 isolation ward at Ham Green Hospital, near Bristol, on Monday.

Doctors, led by Dr Ronald Walley, a tropical diseases consultant, have taken blood samples from the boy, who is shrouded in a plastic tent. The results of tests are expected in three or four days.

£100,000 fire damage at National Trust priory

Correspondent

St Oswald, an eighteenth-century priory near Wakefield, the ancestral home of the Earl of Arundel, was damaged yesterday by a fire which destroyed 400 antique furnishings valued at over £100,000.

Damage to the priory, which was founded in 1085, was caused by a fire which started in the kitchen and spread to the main hall. The fire was caused by a faulty gas fire.

The National Trust in 1952. It attracted 76,000 visitors last year. A brochure says that it houses a matchless collection of furniture and 400 paintings.

Lord St Oswald, who was in London on business, returned home yesterday to find the priory a disaster.

Bristol riot inquiry will look for remedies

From Our Correspondent

Bristol

A top-level local investigation into the riot at St Paul's, Bristol, announced in the Commons by Mr William Whitelaw, the Home Secretary, will begin tomorrow.

The 16-member committee, set up jointly by Avon County Council and Bristol City Council, will sit in private to seek ways of preventing similar trouble and improving conditions in St Paul's.

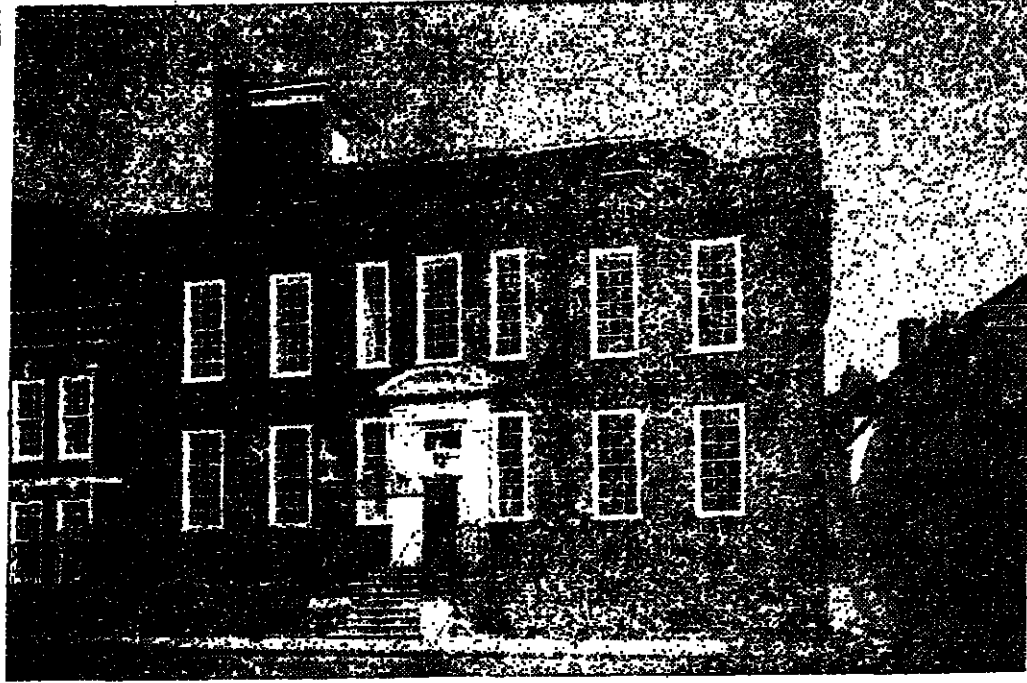
Miss Carmen Beckford, who will represent the Commission for Racial Equality, said yesterday that she plans to call a meeting of all young people living in St Paul's to consider their needs.

"We have already had one meeting, when we investigated what happened on the night of the riots", she said.

Back-up arrangements: Police officers will also tomorrow discuss the aftermath of the Bristol riot and the need for fast back-up from neighbouring police forces if unexpected public disorder arises (The Press Association reports).

Mr Whitelaw told the Commons that he had asked his senior officials, with Sir David McNea, the Metropolitan Police Commissioner, and the Association of Chief Police Officers in England and Wales, to examine arrangements for handling spontaneous public disorder.

Mr Whitelaw made clear that in no circumstances would he be prepared to contemplate "no-go" areas.



£150,000 restoration appeal: Pallant House, Chichester, for which an appeal for £150,000 has been made so that it can be restored and opened to the public. Built about 1712 for a wine merchant, it is considered an outstanding example of a Queen Anne town house. For the past fifty years or so it has

been used as offices by Chichester District Council, which has agreed to make it available for a display of paintings and period furniture, including a collection belonging to Dr Walter Hussey, former Dean of Chichester. An estimated £70,000 is needed for the first phase of the restoration.

Drugs centre needs £70,000 to survive

By Stewart Tendler

City Roads, a London centre for helping young drug abusers, may find itself homeless unless £70,000 can be found to buy its rented property. The absence of the centre would leave few facilities for barbiturate and alcohol addicts.

The centre began work two years ago to help addicts who

were overdosing, receiving hospital treatment, returning to the streets and overdosing again. Britain's addiction treatment policy is geared to heroin and cocaine abusers, leaving little room for barbiturate users.

Run from two adjoining houses in north London, the centre was established to provide residential care and a referral system. Since 1978

more than 1,200 addicts have passed through it.

The owners of the property want to sell it when the lease expires in the autumn. City Roads has first refusal but has to raise about £70,000. The centre was intended as a three-year experiment with finance from the London Borough Association and the Department of Health and Social Security.

He told them: "You have a horrible history of neglect of nutrition and if Lord Nelson had not had the foresight to tackle the problem of scurvy with fresh fruit you would not have won the Battle of Trafalgar."

Sailors told they are too fat to be afloat

From Our Correspondent

Portsmouth

British sailors are too fat and unfit because they drink and smoke too much and get the wrong sort of food, one of Britain's leading experts on diet claimed yesterday.

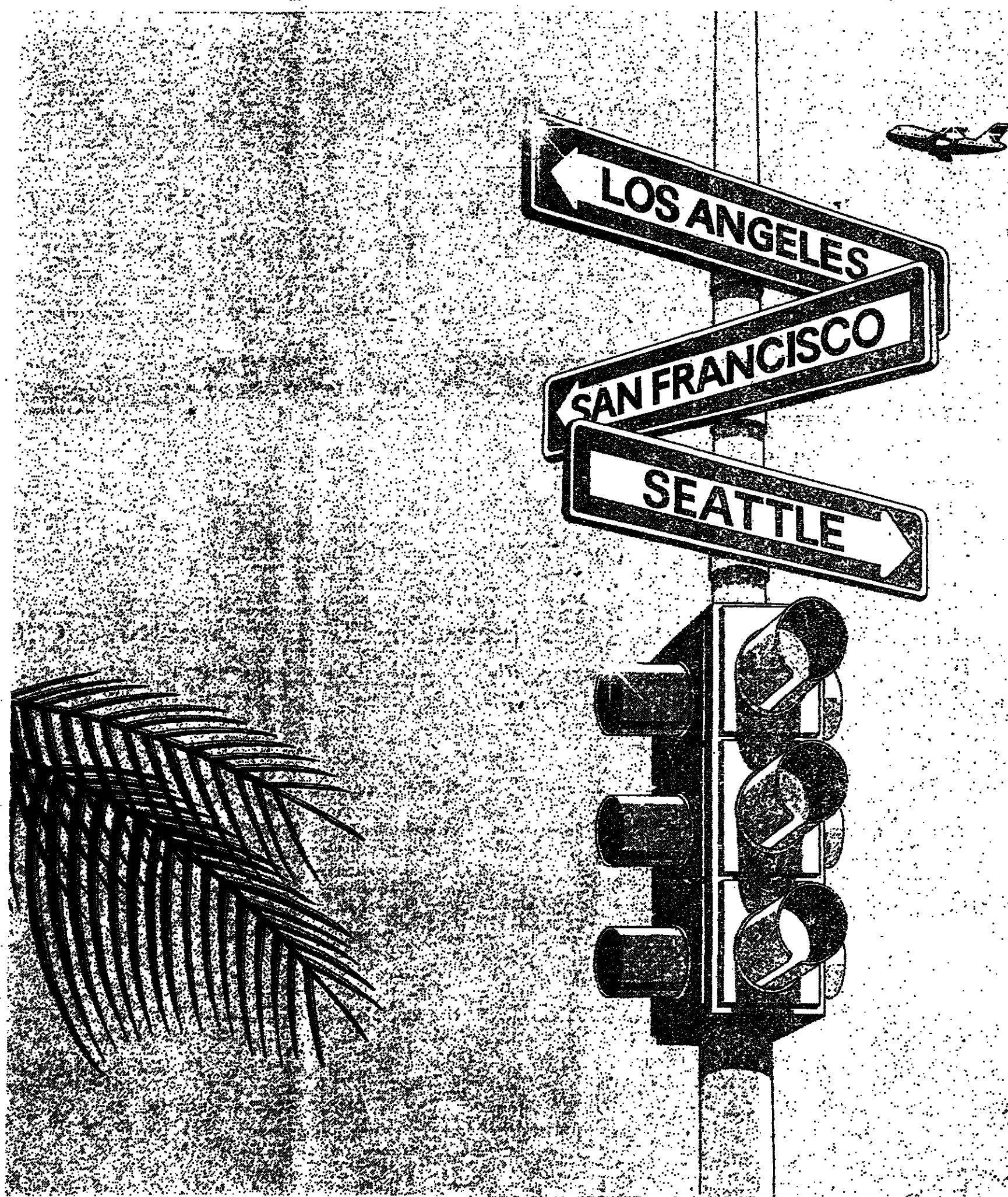
Dr Geoffrey Taylor, of Ilminster, Somerset, who has made an extensive study of diet over 30 years, was speaking bluntly to over a hundred Royal Navy doctors at the Institute of Naval Medicine at Portsmouth.

He told them: "You have a horrible history of neglect of nutrition and if Lord Nelson had not had the foresight to tackle the problem of scurvy with fresh fruit you would not have won the Battle of Trafalgar."

He also said that Captain Scott's ill-fated expedition to the South Pole failed largely because of scurvy due to poor diet.

The doctor said that in the Royal Navy there were many cases of cancer of the mouth, caused by excessive smoking, cirrhosis of the liver, from excessive alcohol, and accidents, again probably caused by drink.

"If you are going to run a modern ship, with all its sophisticated equipment, you should not drink, certainly not for some time before going on duty."



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WEST EUROPE

EEC partners stunned by Mrs Thatcher's rejection of budget

From Michael Hornsby
Bonn, April 29
Britain's eight EEC partners are still stunned by Mrs Thatcher's rejection yesterday of the budget proposed by Luxembourg of what they considered an extremely generous reduction in the British contribution to the EEC.

By general consent the summit meeting, in the words of Roy Jenkins, the President of the European Commission, was "fantastically close to agreement." At one point the British Government was expected to agree to a further £100m cut in its contribution. But Mrs Thatcher's partners might have been misled.

What went wrong? Many of the British partners were surprised by the unexpected right, in the inauspiciously named preceding week's dispute over farm prices, President Giscard d'Estaing of France, in particular, made huge concessions.

In essence the French idea was that Britain's net contribution should be held at the 1979 level—about £500m (compared with the £1,100m forecast for 1980)—for the next three years, with a review at the end of the third year.

Through the level of contribution proposed was still too high for Mrs Thatcher, the British scheme was clearly the most promising move in many years.

Any variations of the French scheme were explored on the second day. For Mrs Thatcher there were two principal considerations: a reduction in the British contribution had to be made, and it had to be

guaranteed for a least two and preferably three years, with some commitment to continue thereafter.

The question of duration was vital because it will be at least five to six years before longer-term changes, such as an increase in the proportion of British trade conducted with the Community and a decline in the percentage of EEC funds spent on agriculture, are likely to bring about any natural improvement in Britain's budget position.

The most difficult concession demanded of Mr Thatcher was the proposed 5 per cent increase in EEC farm prices, which would probably add more than £1,000m to the Community's agricultural costs this year and weigh the balance of the Community's spending priorities ever more against British interests.

The offer which Mrs Thatcher's partners closest to accepting would have reduced Britain's net contribution to about £325m in 1980 and to £490m in 1981, with a review at the end of the third year.

The Prime Minister, however, wanted the increase in 1981 to be linked to the percentage increase in the size of the budget as a whole, which on current trends implied a net contribution in that year of about £390m.

This was just too much for President Giscard d'Estaing and Herr Helmut Schmidt, the West German Chancellor, who felt, in the phrase of a French official, that they had "gone to the limits of generosity".



Odd woman out: Herr Helmut Schmidt, Mrs Thatcher and President Giscard d'Estaing giving their versions of events after Monday night's summit.

French say Britain is now isolated from the Continent

From Charles Hargrove
Paris, April 29

Judging from reactions in this country to the European summit, it is not the Continent which is isolated this time, but Britain, thanks to the unreasonableness and intransigence of her Prime Minister, who could only say "no".

The French believe that as in Dublin, Mrs Thatcher had gambled on her ability to drive a wedge in the united front of her partners, but she failed.

But some commentators suggest that in the coming weeks, such solidarity will be sorely tried if Britain is kept in isolation and the "continentals" try to raise agricultural prices without her.

Mrs Thatcher can at least derive some satisfaction from the fact that she now provokes in France the same strong, sometimes irrational, outburst of feeling as General de Gaulle did with his neighbours when he resorted to the policy of the "empty chair" to block Britain's entry to the EEC.

No one is now tempted to accuse the British Government of taking a back seat, of failing to pull its weight in Europe, of lacking a forceful policy in the Community. It is in fact being accused in some quarters of deliberately stringing out to destroy the Community in its present form, once again from subservience to American interests.

The crisis, this time, concerns more than hard cash and technicalities, it is, several commentators insist, about the kind of Europe that Britain wants or will not allow to exist without her.

Le Monde even speaks today of the "post Rome Treaty area", picking up President Giscard d'Estaing's disillusioned remark that "British demands, because of their scope and duration, cannot be met within the framework of existing Community regulations".

For the Gaullists, there is a simpler answer. The Community has its rules. Britain has accepted them. If it does not want to observe them, let it pull out.

However, M Jean Lecanuet, President of the Centre des Démocrates Sociaux, a doughty fighter for European unity, refuses to believe that the worst may come true. "The intransigence of Britain in the defence of narrow interests, prevented agreement," he said. "This is not a conflict between London and Paris, but a disagreement between Britain and the Community. That is what makes it serious."

Despite the crisis in Luxembourg, French newspapers have not lost their sharp sense of humour. "Typhoon Maggie sweeps over Europe," France Soir remarks. The socialist Le Matin, under the title "Death or glory poker," writes that "at the end of the game of the

grand European casino... they (M Giscard d'Estaing and Herr Schmidt) threw their hands on the table from exhaustion, noting, bitterly, that the rules of poker were definitely not the same in Britain as on the continent."

How could Europe claim to be a model of behaviour, and pose convincingly as the world's conscience over Iran and Afghanistan, when she was unable to reach agreement on a matter of hard cash? is the question raised by many here today.

Notwithstanding the gravity of the situation, the Nine are thought to have behaved like carpet dealers.

From Patricia Clough
Bonn, April 29
Herr Helmut Schmidt, the West German Chancellor and his Government appear deeply embittered at Mrs Margaret Thatcher's rejection of a proposal to reach a compromise on the EEC budget dispute.

The Germans are not going so far as to refuse to discuss the subject again but they firmly believe that any move to save the situation must come now from Britain.

"We are not the ones who should be in the greatest hurry to think about what happens next," Dr Armin Grünewald, a Government spokesman, said. "Minister of State in the Foreign Ministry, predicted that 'the crisis will now go deep. The British position is now certainly difficult for the other eight to understand', he said."

Herr Schmidt is particularly annoyed at Mrs Thatcher's refusal of what would have amounted to huge and difficult German sacrifices in order to achieve a settlement.

Our Diplomatic Correspondent writes: Despite the row and recriminations at Luxembourg, the British Government now feels encouraged that the problem of the budget contribution can and will be resolved.

More than that, officials seem confident that there will be no permanently damaging effect to the spirit of European cooperation.

The trouble caused by Mrs Thatcher's decision not to clinch the deal should not be overplayed, it was being said.

From Charles Hargrove
Paris, April 29
Judging from reactions in this country to the European summit, it is not the Continent which is isolated this time, but Britain, thanks to the unreasonableness and intransigence of her Prime Minister, who could only say "no".

The French believe that as in Dublin, Mrs Thatcher had gambled on her ability to drive a wedge in the united front of her partners, but she failed.

But some commentators suggest that in the coming weeks, such solidarity will be sorely tried if Britain is kept in isolation and the "continentals" try to raise agricultural prices without her.

Mrs Thatcher can at least derive some satisfaction from the fact that she now provokes in France the same strong, sometimes irrational, outburst of feeling as General de Gaulle did with his neighbours when he resorted to the policy of the "empty chair" to block Britain's entry to the EEC.

No one is now tempted to accuse the British Government of taking a back seat, of failing to pull its weight in Europe, of lacking a forceful policy in the Community. It is in fact being accused in some quarters of deliberately stringing out to destroy the Community in its present form, once again from subservience to American interests.

The crisis, this time, concerns more than hard cash and technicalities, it is, several commentators insist, about the kind of Europe that Britain wants or will not allow to exist without her.

Le Monde even speaks today of the "post Rome Treaty area", picking up President Giscard d'Estaing's disillusioned remark that "British demands, because of their scope and duration, cannot be met within the framework of existing Community regulations".

For the Gaullists, there is a simpler answer. The Community has its rules. Britain has accepted them. If it does not want to observe them, let it pull out.

However, M Jean Lecanuet, President of the Centre des Démocrates Sociaux, a doughty fighter for European unity, refuses to believe that the worst may come true. "The intransigence of Britain in the defence of narrow interests, prevented agreement," he said. "This is not a conflict between London and Paris, but a disagreement between Britain and the Community. That is what makes it serious."

Despite the crisis in Luxembourg, French newspapers have not lost their sharp sense of humour. "Typhoon Maggie sweeps over Europe," France Soir remarks. The socialist Le Matin, under the title "Death or glory poker," writes that "at the end of the game of the

10,000 school workers in strike in France

About 200,000 secretaries, ten workers, cleaners, librarians and laboratory technicians today stayed away from schools where they work in a series of strikes which have affected every sector of the French education system during the past week.

It is claimed to be the largest in 20 years.

Teachers from schools and colleges went on strike for two last week and on Saturday parents went on strike, refusing to send their children to regular morning classes.

At the end of the week also saw a break of violence at Caen, where police used tear gas to disperse students who had been trying the campus in protest at new measures being introduced to scrutinize foreign students applying for places at universities.

The teachers' strike was as part of a continuing fight for better working conditions and higher pay, though the central issue has been the Government decision to cut classes in keeping with

the fall in the school population.

The strike by the parents, organized by their million-strong federation, was to support a campaign for higher standards and a larger educational budget. The school assistants on strike today were not slow to join the general protest movement.

The campaign by the unions has been growing throughout the present school year. Last term, teachers in private schools joined a one-day strike for the first time.

The Government reaction has so far been extremely tough. M Raymond Barre, the Prime Minister, said in the National Assembly last week that he deplored the action of the strikers which hurt only the children.

M Christian Beullac, the Education Minister, pointed out that in the past two months there had been only 26 school days. "Are we not reaching the time when we will have to ask what is the validity of examinations?" he asked the Assembly.

M Marchais' warning of Nato illusion

From Our Own Correspondent
Paris, April 29

M George Marchais, the French Communist leader, is not the sort of man to be daunted by the conspicuous refusal of nine European Communist parties to attend the conference on peace and disarmament which he and his Polish comrades had called in Paris.

He said the appeal adopted to mobilize public opinion in all European countries against the stationing of missiles in Europe, for the ratification of the Salt 2 agreements, and other disarmament problems did not exclude any national or international initiatives, on the part of Communists, Socialists or Social Democrats.

The two-day debates attended by delegates from 22 European parties had taken place "with strict respect for the principles of absolute independence".

He said: "We wish to warn against the illusion of believing that by placing Nato and Warsaw Pact on the same footing, one will be able to settle the problems of war and peace in favour of the latter."

Russia was a great military power, and was also arming itself. But the steps taken to step up its defence capacity have never been more than a response to the actions of the West, he added.



Graziella Simbolotti Laillardi is to become the first woman ambassador. She is hoping for a post in America.

Doctors cure 200-day bout

Rome, France, April 29
A British girl who could not stop hiccupping for more than 200 days, doctors at a mountain resort said today.

October, when she was a cold, Trisha, who is now 20 months old, was brought to the resort by her mother, Mrs. Reuter.

Tight security for Dutch coronation ceremony

From Our Own Correspondent
The Hague, April 29

Juliana of the Netherlands, her subjects and the monarch tonight in a broadcast on radio television. She will be succeeded tomorrow by her eldest son, Crown Prince

the same time police into the Dam Square to seal off a large area of central Amsterdam and even, in some areas, to seal off the main roads. Residents there are being urged to leave their homes and cars left unattended in the square were being towed

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OVERSEAS

Zimbabwe gets a new angle on the news

From Frederick Cleary
Salisbury, April 29

The Zimbabwe Broadcasting Corporation yesterday began using news commentaries under instruction from the new government of Mr Robert Mugabe. Read for the first time at lunchtime by a black announcer, the commentary recalled that April 28 was the fourteenth anniversary of the famous Sinoia battle when the first shots of liberation were fired.

The commentator went on: "The struggle, bitterly and determinedly fought by our seven heroes at Sinoia on April 28, 1966 opened a hitherto untapped front in the struggle of the people of Zimbabwe against the chains of colonialism, imperialism and oppression—the military front."

It had "marked a new era in the political struggles of our people" and was "the first serious challenge to the political, military and economic models of the colonialists in Zimbabwe."

"The blood of our seven heroes spilled in the Sinoia battle watered the tree of independence and freedom of the toiling people of Zimbabwe," the commentator said, carrying on in similar vein for several minutes.

It went on to say that it had been argued that had it not been for Mrs Thatcher and Lord Carrington, the British Foreign Secretary, Zimbabwe could not have attained independence. "What a mockery to the military struggle of the people of Zimbabwe," the commentator said. The British had been forced to convene the Lancaster House conference by the "resolute waging of the armed struggle by the people and their Liberation Army."

Recently, the showing of a television film favourable to the guerrillas when operating in Zimbabwe during the seven-year war caused a furore. Whites claimed that such actions did not conform with the Prime Minister's pleas for reconciliation between both warring sides.

The Herald newspaper office's switching to a swamped yesterday with calls from white callers said, "If this is Mr Mugabe's idea of reconciliation, then I am leaving the country."

Zia talks in China to include arms

From Our Correspondent
Islamabad, April 29

President Zia ul-Haq is leaving Islamabad on Friday for a seven-day state visit to China. He will head a civil and military delegation and go on to North Korea for a three-day visit. The visit is at the invitation of Chairman Hua Guofeng. Accompanying General Zia will be his wife, Mrs Ghulam Ishaq Khan, the Finance Minister, Mr Agha Shahi, his foreign affairs adviser and the military governors of Sindh and North-West Frontier provinces, bordering Afghanistan.

It is understood that the situation in Afghanistan will be discussed. China and Pakistan having viewed the Soviet military intervention there with equal concern.

Pakistan faces a disquieting situation since the influx of

President's visit deflates Mr Kennedy's Texas hopes

From Frank Vogl
San Antonio, Texas
April 29

Senator Edward Kennedy held his presidential campaign rally here last night, as voters prepared for the Texas primary on Saturday, but President Carter stole the headlines.

The President, making his first trip from the Washington area since the hostages were taken in Iran 178 days ago, visited San Antonio briefly the hopes of those working here for the Kennedy campaign.

The President emphasized that his trip had no political purpose. He said he was concerned solely with visiting the five injured American soldiers who took part in the rescue attempt in Iran last week and

who are now in two military hospitals here.

The President made no political speeches, refused to meet campaign workers and even let the Mayor of San Antonio know that he did not expect or desire a formal welcome.

Mr Carter flew to a military base, saw the soldiers, made some brief remarks about his determination to free the hostages and, less than two hours after his arrival, flew back to Washington.

That this trip should coincide with Senator Kennedy's arrival here was probably a coincidence. But one, all the same, that vividly illustrates the power over the press that the White House incumbent enjoys. And television and newspaper

coverage is the key in American politics.

Yesterday's San Antonio newspapers ran banner headlines announcing the President's impending visit, today's papers were dominated by the visit and tomorrow's may be full of a campaign visit by Mrs Carter.

Senator Kennedy came a distant second in media attention. Anderson boost: About 32 per cent of Americans say they might vote for Mr John Anderson, an independent candidate in the November 4 presidential election, a nationwide poll has indicated. Mr Anderson left the race for the Republican Party's nomination last week—AP.

Nevertheless, this is one part of Texas where Senator Kennedy does have a chance. The

Lone Star State has by and large little time for New England liberals, but more than half of San Antonio's population is Mexican-American and it is to them that the Kennedy campaign is directed.

The objective here is to get as many supporters as possible into party caucus meetings on Saturday night. It is at those meetings that delegates to the national party conventions will be chosen and the primary ball for itself is of little significance. The Kennedy forces are making a big effort to ensure that Mexican-Americans go to the caucus meetings.

An important asset for Senator Kennedy is the help of Mr Cesar Chavez, a Californian who has become a leading Mexican-American figure after

organizing farm workers into trade unions in his home state. He and Mrs Joan Kennedy stood at the senator's side as the crowd addressed a rally of about 1,000 people in the picturesque market square.

Senator Kennedy was tired and losing his voice, but he made an emotional and impassioned speech that won a tremendous reception. He was constantly interrupted, sometimes for prolonged periods, with chants of "we want Kennedy."

He kept to economic issues, did not mention Iran and appealed to those with low incomes to support him as he, rather than President Carter, stood for liberal Democratic Party values.

Mrs Lila Cockrell, the Mayor of San Antonio, who says she is not a member of either party, but is sufficiently shrewd to have been elected to her office three times, said in an interview that President Carter, enjoyed the support of most Democratic Party leaders in the state. She thought the President would carry Texas, although Senator Kennedy would do well with Mexican-Americans.

The Mayor said she did not expect Mr George Bush to do well in the Republican primary, although he lives in Texas. She agreed with reporters who suggested that Mr John Connally would have been an important challenger, but that as he has withdrawn, Mr Ronald Reagan should win Texas easily.

Mr Gurdus tunes in to world's secrets

From Christopher Walker
Tel Aviv, April 29

Mr Michael Gurdus is a shy, unassuming Israeli journalist with a flair for electronics who rarely works outside the cramped confines of his flat in Tel Aviv. But at the age of 35, he is already boss of obtaining more world exclusives than most correspondents of twice his age and experience.

His latest triumph came early last Friday when he was able to inform listeners in Tel Aviv that the country's Hebrew language radio service that the fleet of C-130 transport aircraft involved in America's abortive invasion of Iran had taken off from a military airfield on the outskirts of Cairo.

Although the story was hastily discredited by the Egyptian Prime Minister, Mr Gurdus stood by his claim and was vindicated. "The details never worried me," he said today. "In 1976, the Egyptians flatly denied my report that one of their planes had been hijacked, but they had been lying. I had been told by a source that the plane was on its way to the American Government's report on the C-130s was just part of the detailed picture about the mission which the Egyptian Prime Minister was able to obtain from his formidable array of monitoring equipment at the office of the air force."

He also noted that the aircraft, reputedly of the Israeli Air Force, had been seen on the Egyptian coast. "I am not a member of either party, but I am sufficiently shrewd to have been elected to her office three times, said in an interview that President Carter, enjoyed the support of most Democratic Party leaders in the state. She thought the President would carry Texas, although Senator Kennedy would do well with Mexican-Americans."

Members of Congress have heaped praise on Mr Vance for making a decision of principle. Envoy returns: Mr Thomas Watson, the American Ambassador, left Moscow today to return to Washington, on which was officially described as personal business (Michael Binyon writes). He is an old and close friend of Mr Cyrus Vance, and it is thought he may wish to discuss his resignation with him.

By somehow managing to get a glimpse of the Egyptian Prime Minister, Mr Gurdus became one of the first people in the world to know of the many disasters overtaking the attempt to rescue the American hostages, including the fact that the C-130s were in the air, lost contact with the airborne command post and that one was burnt out in an accident. He lives.

"From all that I could discover, the operation was a tremendous mess," he said. "Mr Gurdus is fluent in Arabic, English, French, Polish and Russian. He first acquired the taste for his unusual style of reporting from his father, a crippled journalist who escaped from Warsaw in 1939 and later covered the Second World War in international communications from his home in Tel Aviv."

Mr Gurdus is now employed by the Israeli Broadcasting Authority and has tracked by radio most of the main hijacking dramas of recent years. He was first to report the seizure of the French airliner that led to the raid at Entebbe and the storming of a Lufthansa jet in Somalia by German commandos. He still considers his biggest success to be the interception of a plane for help, broadcast by Archbishop Makarios from Paphos after he had been overthrown. The French interception eventually led to the archbishop's rescue.

American complaint: The United States has complained to Israel about Mr Gurdus reporting details of the Iran mission before the White House did. Israeli officials said today—UPI.

Botha warning as 400 pupils are arrested

From Nicholas Ashford
Johannesburg, April 29

Mr Pieter Botha, the South African Prime Minister, today adopted a tough line towards the spreading boycott of classes by Coloured (mixed race) high school pupils. He said that people who tried to "push the Government around behind the uniforms of school children" would get hurt.

Speaking on the second day of a debate in Parliament, he said that extra-parliamentary action would be met with the full might of the state. Anyone who resorted to such action was likely to get hurt, he said, and if there were some unfortunate consequences they should not resort to recriminations.

As Mr Botha was speaking, about 400 Coloured children were appearing in a magistrate's court in the Johannesburg Coloured suburb of Newlands after a demonstration by more than 2,000 pupils from four high schools had been broken up by the police. The pupils were charged with offences under the Riotous Assemblies Act.

They were arrested near Westbury High School in Newlands where they had gathered to hold a meeting as part of the nationwide protest against the inferior standard of Coloured education. Police ordered the crowd to disperse and most pupils did so, but a group of about 400 started pelting police with stones and eggs. The police, in camouflage uniforms with riot

guns and gas masks, then moved in and arrested demonstrators. A police spokesman said force was not used. However, parents and teachers claimed that the police made at least three baton charges to disperse the students. It was also alleged that the police climbed over the school fence to disperse children who had gathered in the school grounds.

Mothers told journalists that they and their children had been maltreated by the police. One said that she and her daughter had been hit after the police had threatened to break down the front door of their house. Another said she had been beaten although she was six months' pregnant.

However, Brigadier J. Swaneepoel, the commander of the riot police, said batons had not been used. "The school children were assembling illegally," he said. "They were arrested for contravening the Riotous Assemblies Act. It is as simple as that," he said.

In Pretoria, classes at eight schools in the black township of Mamelodi were disrupted when groups of black pupils moved from school to school urging a boycott. Their action came after the detention yesterday of nine people who participated in a demonstration in support of the coloured pupils. About 1,000 students at the University of Cape Town today staged a protest march in sympathy with the coloured pupils. University students in Durban held protest rallies.

Europe has 'vital' role to play in alliance

Continued from page 1

combined strategy, we will be unable to check Soviet aggression in the Third World."

It used to be said that the sun never set on the British Empire. Now it could be said that the sun never sets on the advancing frontiers of the new Soviet empire.

Whereas 30 years ago the Soviet Union posed a threat in Europe, the frontiers of confrontation had now become worldwide and the Russians had the capacity to project their power on a global scale. Soviet aggression in Africa, Latin America, Afghanistan and the Middle East was "as much an attack on the Western alliance as would be an assault on Europe itself."

With the United States losing military parity with the Soviet Union, a far greater increase in defence spending must be introduced or "by 1985 or sooner the United States will be in a position of decisive strategic nuclear inferiority to the Soviet Union," Mr Nixon said.

The strength of the Western alliance has always been its indivisibility, Mr Nixon said. "The clear warning that an attack on one would be construed as an attack on all." Because the challenge had broadened, the West had to extend that concept of indivisibility to encompass the Western interests that span the globe: "We must plan together and act together... to develop a total response to those who wage total war against us."

One of the Russians' strengths was that they coordinated their tactics militarily, economically and diplomatically. The West must do the same. An alliance which could not develop a common policy to deal with threats to its interests outside its geographical borders would not survive, Mr Nixon said.

Criticisms of Carter strategy on increase after Vance resignation

From Patrick Brogan
Washington, April 29

Committees of Congress convened in closed session today to examine different aspects of the attempted rescue of the American hostages in Tehran and Mr Cyrus Vance's resignation.

The political post-mortem examination of the affair has been quiet so far, but will soon get far more noisy, today's newspapers are full of savage criticism of the President and politicians will soon follow the newspapers' example.

The New York Times argued that Mr Vance resigned, not just because he opposed the rescue attempt, but "because he knows more than the rest of the country about the President's mood and the drift of his policy in these days of frustration."

"What will we do if this raid

fails and the power of the United States is further humiliated?" he must have asked Mr Carter. "What do we do if we get the hostages, but Iran to collapse, driving it into Soviet arms?"

These are, indeed, the risks Mr Carter's policy now runs. The President counts on responsible Iranians to save Iran from the dismemberment that Mr Brezinski openly warns about. Mr Carter decided this month to put the stature of the United States at stake of even he safety of the hostages.

The newspaper concludes that Mr Vance should give his reasons for resigning, instead of playing the good team player, the lawyer, and keeping silent.

The columnists are harder still. Mr Joseph Kraft writes: "Behind that intrinsically risky

mission, its poor timing and pathetic consequences, there lies a single massive condition from which everything else derives. That is the sanctimonious moralism of Jimmy Carter."

Others are equally critical. The failure of the rescue and Mr Vance's resignation are seen as evidence of the President's inability to handle the crisis.

Members of Congress have heaped praise on Mr Vance for making a decision of principle. Envoy returns: Mr Thomas Watson, the American Ambassador, left Moscow today to return to Washington, on which was officially described as personal business (Michael Binyon writes). He is an old and close friend of Mr Cyrus Vance, and it is thought he may wish to discuss his resignation with him.

By somehow managing to get a glimpse of the Egyptian Prime Minister, Mr Gurdus became one of the first people in the world to know of the many disasters overtaking the attempt to rescue the American hostages, including the fact that the C-130s were in the air, lost contact with the airborne command post and that one was burnt out in an accident. He lives.

Japan's aging leader loves TV drama, Western food

Book reveals Emperor's foibles

From Peter Hazelhurst
Tokyo, April 29

Emperor Hirohito, the world's longest reigning monarch, celebrated his seventy-ninth birthday today and signs that he suffers from the same fears and foibles as his subjects.

Standing behind bullet-proof glass windows on a balcony of the Imperial Palace in Tokyo today, Emperor Hirohito and Empress Nagako waved to a crowd of 70,000 cheering Japanese who swarmed into the palace grounds this morning to get a glimpse of their aloof monarch.

Times have certainly changed since Japan's monarchy was shrouded in an aura of mystery and the ruler was deified. In fact, the Japanese public first heard the voice of their "god-king" 35 years ago, when Emperor Hirohito broadcast Japan's declaration of surrender to the Allies. It was a year later, in 1946, that Asia's most powerful monarch renounced his family's 2,000-year-old claim to divinity.

But the privacy and position of Japan's imperial family have remained inviolable subjects for the past three decades. Today, as Emperor Hirohito enters his eightieth year, modern Japan was informed officially, for the first time, that



Emperor Hirohito: Renounced claim to divinity.

the country's one-time divine ruler possesses some endearing human traits.

For instance, the imperial chamberlains have just published a diary to reveal that Emperor Hirohito is apparently scared of thunder. He is also an avid fan of television drama and pre-war bacon and eggs to Japanese breakfast.

A Japanese magazine, Josciji, claims that the last

active, surviving leader of the Second World War, he prefers his Mickey Mouse watch to many of his other timepieces. According to the magazine, the watch with the figure of the familiar cartoon painted on its face, was presented to Emperor Hirohito during a visit to Disneyland five years ago. He has been photographed wearing it at public functions and has given it to his grand-children.

Kyushu Jiji Monogatari (the Diaries of the Imperial Chamberlains), published recently with the blessing of the Emperor, reveals that the Emperor wears Western clothes, three-piece suits, since he first visited Europe in 1921. In spite of a public campaign he has refused to wear a kimono or Japanese attire.

The moment thunder started rumbling the Emperor dropped his head, including an umbrella he had been offered, and dashed back to the villa as fast as he could. The chamberlain was badly outpaced and failed to catch up with the Emperor, according to the book.

An avid fan of television drama, the Emperor only turns his set off on war memorial days and September 1, the anniversary of the day that the Kanto earthquake destroyed Tokyo and Yokohama in 1923.

Turkish ban on rallies as violence goes on

From Our Correspondent
Tel Aviv, April 29

Major Saad Haddad, the Christian militia leader in Southern Lebanon who has been peace keeping forces there, was injured today when his Jeep hit a landmine.

He was taken by helicopter with three other injured militiamen to the Rambam Hospital in Haifa, Israel, where his injuries were described as slight. Israel Radio said the major was following the tracks of terrorists discovered at noon south of Taibeh in the central sector of the area under his control. The terrorists fled to the area of operation of the Nigerian contingent of Unifil where the major's Jeep hit the mine.

United Nations headquarters in Jerusalem denied the minister in a Unifil area and said it happened "on the border line." Major Haddad said "many are waiting for my death but I will not give them the pleasure."

More than 300 left-wing workers were detained after occupying a State minerals research institute on the outskirts of Ankara to protest against the Government's "anti-worker policies". They set fire to the plant's rubber storage depot.

There were scattered incidents at other factories and high schools around Ankara. More than 100 other students or workers were detained. In the western resort of Izmir an official of the National Movement Party was shot dead. Since the beginning of the year an average of 10 people have died every day in political violence.—Reuter.

Leban on militia leader injured in mine blast

From Our Correspondent
Tel Aviv, April 29

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Mr Karamanlis favoured to win presidential vote

From Mario Modiano
Athens, April 29

It now seems certain that Mr Constantine Karamanlis, the Prime Minister, will be elected President of Greece on May 5, following today's second unsuccessful ballot in Parliament. He will assume his new duties a few days after taking the oath of office.

Although the five-year term of President Tsatsos does not expire until June 20, both the President and Mr Karamanlis agree that in view of the tense international situation, any delay in the changeover would serve no useful purpose. President Tsatsos, therefore, intends to resign shortly after Mr Karamanlis's election is confirmed.

In today's second ballot of the presidential election Mr Karamanlis received 181 votes, 19 short of the two-thirds majority still required in this round, but more than enough for the third and final ballot due to be held next Monday.

Mr Karamanlis today received two votes more than in the first round. Significantly, he again refused to vote for himself, and walked out when the voting began. This probably also lost him the vote of an independent deputy who supported him in the first ballot, but became an absentee by the Prime Minister's abstention that he had said he would cast a blank if Mr Karamanlis withdrew.

Additional support for Mr Karamanlis came from two independent deputies who had cast blank last week, as well as from one of the four Social Democrats who disagreed with his party's line to vote for Mr Karamanlis and was promptly expelled.

Another social party, the Democratic Centre Union, which has already suffered one defeat, kept the remainder of its deputies out of today's session evidently to prevent further losses.

Britain opposes Gulf blockade

By Hugh Noyes
Parliamentary Correspondent
Westminster

The total opposition of Britain and her European partners to any kind of military action being taken by the United States to secure the release of the hostages in Iran was made clear in the House of Commons yesterday by Mrs Margaret Thatcher.

The Prime Minister's call for a political solution came against the background of the resignation of Mr Cyrus Vance, the American Secretary of State, and his warnings that President Carter could be preparing new military moves in the Gulf.

For the first time Mrs Thatcher confirmed that the Government was determined to make or even to mount a naval blockade of the strategically important Straits of Hormuz.

From Mrs Thatcher's words and her emphasis on a political solution, MPs were left in no doubt that during the coming

weeks there will be a concerted effort by European nations to bring pressure on the United States at the highest level in an attempt to avert the Iran crisis from escalating.

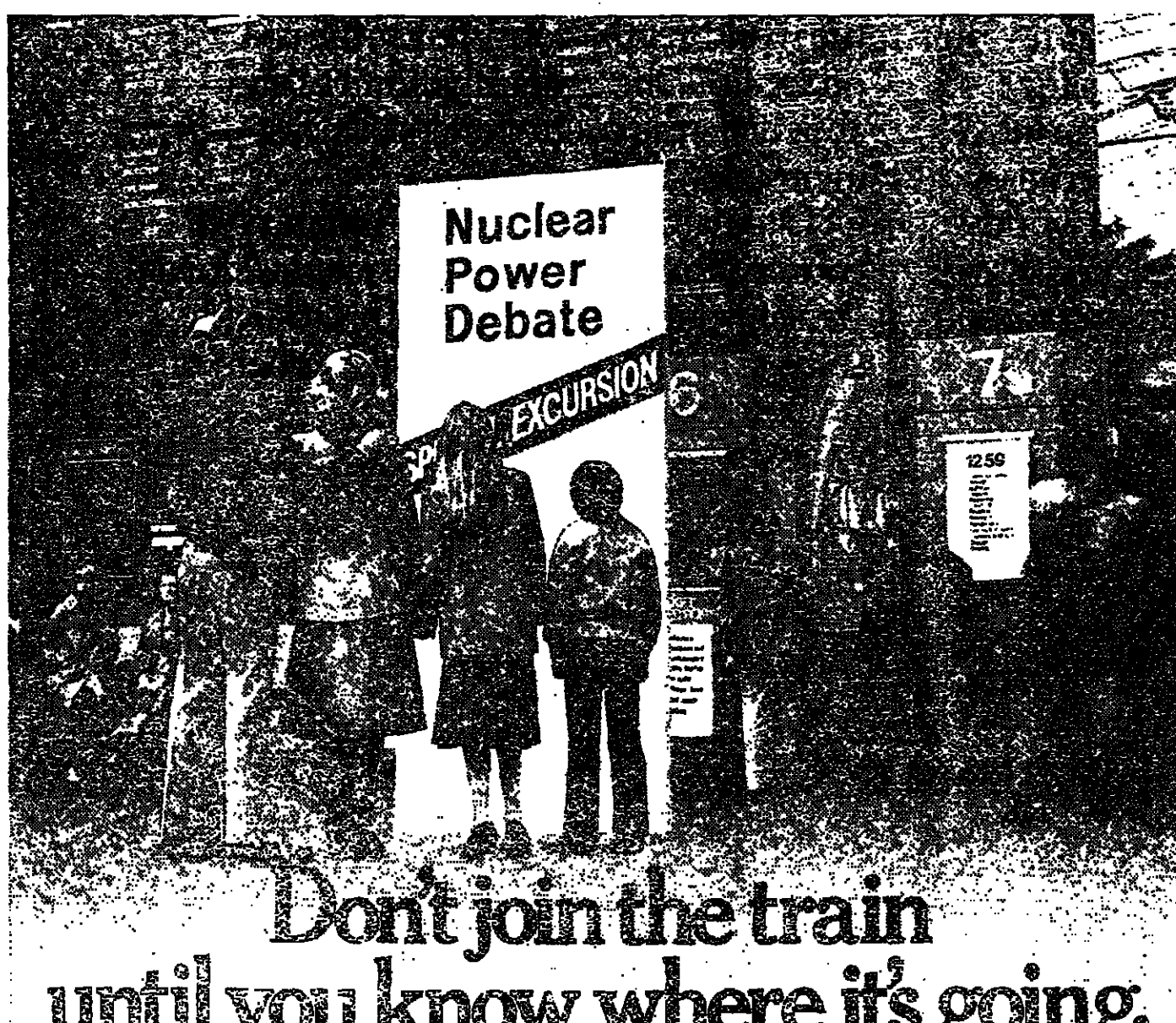
Lord Carrington, the Foreign Secretary, will be launching an initiative during his visit to Washington at the end of the week. Yesterday, in the House of Lords, he said that the Government had already made clear that a solution would not be found by the use of force. He did not think that the further use of force was likely and the United States and its allies were seeking other solutions.

Mrs Thatcher and Lord Carrington were backed on this point by Mr James Callaghan, Leader of the Opposition, and made a clear distinction between military action and the attempt to rescue the hostages.

That, said the Foreign Secretary, was a legitimate operation, while the Prime Minister told the Commons that the rescue attempt should be distinguished from military intervention.

Mr Callaghan urged that there should now be a period of quiet diplomacy away from the glare of television cameras. He said, "had up right circumstances, but as long as it were held in the full glare of publicity there would be every attempt to make the most of it."

But while the Commons united in its opposition to a military action, Mrs Thatcher is not, however, that the use of support for the United States could be strengthened by proved consultation preceded at a higher level between Europe and America.



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Social Focus

Unsettled times for children of the Cultural Revolution

The enthusiasm and application of Chinese students working under austere and adverse conditions is one of the most immediately impressive features of the Chinese education system. Yet one cannot help wonder what is really going on behind those almost stereotyped fresh open faces, unmarked by the traumas so many have lived through.

The experience of Wang Guo Dong, a 29-year-old student of English at one of China's favoured "key" universities, is probably fairly typical of his generation. He was 14 when the Cultural Revolution broke out. It shattered the sheltered, disciplined world in which he had been brought up. The values he had been taught to espouse he was now told to despise. The people he had learnt to respect he now saw reviled, tortured and imprisoned.

His education until then had been authoritarian and conventional. As in Chinese schools today, emphasis was placed on obedience, conformity, memorization and rote learning. There was work and still, little spirit of inquiry, creativity or critical analysis, despite exhortations, like the following, from Mao:

"Communists," Mao wrote, "must always go into the whys and wherefores of anything, use their own heads and carefully think over whether or not it corresponds to reality and is really well founded. On no account should they follow blindly and encourage slavishness."

R. F. Price, writing about education in China shortly before the Cultural Revolution, commented on the enormous pressure on pupils and teachers to conform. Fear of saying anything which might be politically wrong led to a continual repetition of well-worn oversimplifications. He said: "That situation has not changed, though what is politically 'wrong' or 'right' appears to change all the time."

Wang Guo Dong did not question

the Cultural Revolution; he moved with the tide. Like all his school friends he joined the Red Guard; he criticized his teachers; he boycotted formal classes; he discussed politics. It was a new freedom but set in the old conformist mould.

When he was 17 he was sent with four of his school friends to work in the country for three years. The work was hard, the accommodation primitive, and there was, of course, no chance to catch up on his missed years of formal schooling. But he does not look back on that time as wasted. He says it did him good to try to understand the lives of peasants who, after all, constitute four fifths of China's 1,000-million population.

In 1972 he was allowed to return to his home town to work in a factory. Universities were just beginning to reopen after the Cultural Revolution shutdown, but he being the son of a white collar worker was not eligible to become a student. So he started studying in his spare time by himself, buying an old gramophone and a tape recorder to help him with his English.

In 1977 competitive examinations were reintroduced for entry to university and he was among the 5 per cent of the five million candidates who managed to win a place. Although he plans to become a teacher on graduation, his factory continues to pay him his basic salary of 40 yuan (about £12) a month. (The average industrial wage in China is about 60 yuan a month.)

He is more fortunate than his university friend who, having remained on a commune, receives no salary and who therefore has to rely on his girl friend to support him throughout his four-year course. Student grants are given only to the most needy and are usually very small.

Although Wang Guo Dong is newly married (to a girl he met in the commune), and lives only a 20-minute bicycle ride from the university, he

prefers to live on campus in conditions which would horrify British students.

Up to ten students are squeezed into rough bunk beds in a 21ft by 12ft room originally designed for two. Unheated cement-floored communal washing rooms have only cold water taps, though hot water may be fetched in basins. The rooms are bleak. Paint and plaster peel from the walls. There are no cupboards, no proper curtains; no room for personal possessions.

Wang Guo Dong explains that he can study better at university. The bicycle journey would take up too much precious time. His day begins with morning drill at 6 a.m. Breakfast is at 7. Classes (of which he has 20 hours a week—far more than the typical British student) start at 7.30 and continue until 5.30 pm when there is one hour's compulsory physical exercise. Supper is at 6.30. Then more study until 10 pm.

Chinese students work very hard. University holidays are much shorter than in Britain—about four weeks in winter and six in summer. Classes take place six days a week. A degree course generally lasts four years, five for a medical course.

China has only 10 years primary and secondary schooling (and that by no means universal) compared with 12 years in Britain. It is said that Chinese students are only at about O level standard or lower when they enter university. But despite all the difficulties of antiquated equipment, large classes, out-of-date textbooks, and too many second-rate teachers, they will have made up a lot of lost ground by the time they complete their courses. They are desperately anxious to get on.

For the moment, then, these intellectual children of the Cultural Revolution are busy, though they still find time to discuss politics. Chinese students are reluctant to talk openly to foreigners, but Wang Guo Dong

volunteered, in a lowered voice, that "one of the problems with my many experiences is that it gave me too many independent thoughts which are not necessarily for the good of the country".

There are thousands of students and millions of young people in China today who have lived through the same type of vicissitudes during their most formative years. For a westerner, it seems impossible that the successive elevation, destruction and rehabilitation of leaders and official policies has not bred cynicism and criticism. The opening up of contacts with the West must also be leading to some questioning of traditional values.

A small but steady flow of foreign students is once more coming to study in China. Western films are being shown on television and in cinemas. (Death on the Nile was showing in Cheng Du, capital of Si Chuan province, while we were there.) Foreign newspapers and journals are again being brought into university libraries, though usually reserved for staff and postgraduate students.

Democracy Wall must have given the young Chinese an intoxicating taste of dissent and freedom, one would have thought. Wei Jingsheng, a student and noted "wall-writer" who was jailed as China's first modern dissident when he was jailed for 15 years last November on a charge of counter-revolution. But will others follow?

During his trial, Wei claimed that he and his friends had joined the Red Guard in 1966 not, as was commonly supposed, because Mao encouraged them to rise up but because they were indignant at seeing all the inequalities and irregularities in society and at school. Nothing had happened to change that, he said. How many others feel that sense of injustice?

A new generation of young people

is now growing up who are too young to remember much about the Cultural Revolution. But they have a new cause for dissatisfaction and restlessness — unemployment. The Chinese government itself talks of waiting seven million young people "waiting for work". It is primarily an urban problem. In Shanghai, for example, two-thirds of last year's school-leavers are still without jobs.

The government is trying to encourage these unemployed or "labour service companies", doing various construction sites, working as hotel porters, running shops and restaurants. There are also plans to channel about two-fifths of the academic secondary schools into specialized vocational schools to give pupils readily employable skills.

But such measures are still only a drop in the ocean. And meanwhile the former Red Guards who were sent out to the countryside during the Cultural Revolution continue to flow back into the cities and add to the ranks of the discontented.

In the West there would have been an explosion long before now. But China is in the East, where as my colleague and long-time China watcher Richard Harris points out, the emphasis is not on human rights but on human obligations. Furthermore, the Chinese people have never lived under anything other than a totalitarian government; they are used to taking orders, to adapting to new situations, to subsuming the self in the interest of the common good.

The appearance of uncritical submission and blithe hard work certainly does not reveal the whole truth. But there are no signs yet that the young urban Chinese are ready to rise up and attack the established order.

Diana Geddes

Education Correspondent

A model end to misery

In an era of specialists, Jean Gimpel represents a threatened species: those able to move nimbly between the two cultures of science and the humanities. He has been variously an expert in the chemistry of old master paintings, a saboteur in the French Resistance, a medievalist, and an historian of technology.

Appearing sometimes to be caught between the speed of his thoughts and the intensity of his convictions, he talks like a machine gun, spraying one with an intense fire of fresh ideas and facts.

His ability to fuse ideas and knowledge has produced two marvellous books: *The Cathedral Builders* and *The Medieval Machine*, both hymns to the genius of times when western man dominated his machines, at vice versa.

That same belief in the value of traditional technologies naturally led him to share the growing feeling that the best hope for the poorest countries is not in importing alien, expensive and labour-saving modern technologies, but rather in rehabilitating, improving and spreading old or at best intermediate techniques.

Such traditional technologies are cheap, can be repaired, and do not disrupt traditional patterns of living. Many, however, are inefficient and need modification. But how to sell these improvements? Impoverished villagers in Asia, Africa or South America are suspicious of change and hard to instruct. Jean Gimpel hit on the simple but brilliant idea of reviving the concept of models, whose history goes back to the engineers of the school of Alexandria in the third century BC, and to the mechanical models of the seveneenth and eighteenth centuries.

Being three-dimensional, models have a huge advantage over drawings, and even over film, TV and audio-visual techniques. Non-specialists can operate a model, and village craftsmen can rapidly comprehend them. They also transcend all language barriers.

Mr Gimpel—his father was a famous Paris art dealer, his mother is English, his wife French—has just come back from a second and very cheering visit to Nepal. Six months earlier he had taken out to a

conference in Katmandu a model of an improved version of the traditional Himalayan water mill.

There are, he estimates, more than 25,000 of these traditional mills in Nepal, of a design dating back 2,000 years. But they are not well conceived: the blades of the water wheel are too flat, the water chute is open (causing splashing), as are the sides, so up to 3 per cent of the flour being ground—its main purpose—gets blown away.

Through the International Molinological Society he found details of a nineteenth-century Romanian horizontal water mill, not too dissimilar in design, but with spoon-shaped blades (also wooden), and with the water supply concentrated by a jet.

A model of this Romanian mill was first shown to a miller in the foothills of the Indian Himalayas. He immediately saw that he could increase his earnings by incorporating its improvements in his traditional mill.

Now the adoption of the Romanian mill has become part of the Nepalese Government's five-year plan. For good measure, a very simple, wood-framed, locally-repairable electrical generator has been designed in kit form to harness the mill's hydraulic energy, and Mr Gimpel's vision of "lighting up the Himalayas with horizontal water wheels" is on his way to being realized.

Many of the models have been designed and made with John Evans of the Architectural Association, and with Don Hardwick and Ali Baghdadi—the Egyptian-born designer of the generator kit—of Appropriate Technology Ltd. Another such model is of a fish farm, which Mr Gimpel thinks could even be introduced in England. First you build a raft. On that goes a small dwelling. Underneath goes a fish cage, through which water flows.

"There are around 10,000 of these in the Mekong Delta," Mr Gimpel explained. "Through models, we intend to introduce them to Egypt, but using ferro-concrete, since there is little wood there."

With help from the World Bank, models are being used to spread the use of the Lorena cooking stove, evolved in Guatemala five years ago, which

combines available techniques with scientific principles to enable combustion to be controlled and to halve fuel consumption.

Another model is of the famous Archimedeon screw, a traditional way of lifting water from one level to another, widely used still but unknown in some areas. Yet another is of the very efficient Chinese version of the methane gas digester, which uses human as well as animal faeces.

Mr Gimpel's latest idea is the "negative model", showing also how not to do things. One such two-sided model shows animals standing too close to a well, with dung seeping down into it through the earth. The other side shows what should be done: a fence holds them far enough back to protect the well. Another shows villagers ploughing straight up or against a hill, so that rain washes the earth away. On the reverse: a model of contour ploughing, with furrows catching and retaining the rain.

"You see the possibilities are unlimited," says Mr Gimpel. The field of health beckons. "I aim to do one that shows the effects of using polluted water to mix powdered milk: the mother mixing; the child crying and dying; the mother happily breast-feeding."

His friend John Bunyan, inventor of the Bunyan bag which revolutionised the treatment of badly burnt world war II pilots, believes there are many simple medical treatments which could be spread by the use of models. Since they are simple and cheap, no one is interested in marketing them, he says.

It is now widely accepted that the only way to raise living standards in the poorest countries is to keep the rural populations out of the cities and make them more productive. There is some talk of the transfer of traditional technologies from one continent to another to help achieve this. Jean Gimpel and his associates believe their models are the best way of transferring such knowledge. It is ironic that in an age of satellite communications, a few small models incorporating centuries-old know-how should hold out the promise of relieving misery in distant villages.

Roger Berthoud

Taking women into account

Fera Di Palma, familiar to Times readers for her lucid and attractively presented articles on taxation, becomes resident today of the Association of Certified Accountants: one of the six professional bodies which provide over the methods and the morals of accountants in Britain. It is a revolutionary step. In a profession in which they are unusual, women now hold a position which is not merely influential, but seen to be influential.

The mainspring of her ambition is, indeed, quite otherwise. She was born in Kenilworth Town, North London, "in the days before it was taken over by the middle classes. She chose to specialise in tax—partly for the intellectual challenge, but partly, as she readily admits, because she thought it a good way from which to launch her assault on higher management. Even with tax as well as consultancy qualifications, she found difficulty in working through the credibility gap at a time when she applied for a job in the tax department. Her years there were, she says, a valuable experience—but they led nowhere. It was at this point that Miss Di Palma abandoned her ambitions, took teaching, and started to take

a serious interest in what was happening in her association.

She had then, and has still, a strong interest in presenting the case for accountancy as a career for women, and thought too little was being done about it. So, in conjunction with a small band of like-minded women, and with the help of the sympathetic secretary to the association, she formed a women's group to press their point of view. In a profession traditionally dominated by men, such feminine cabals were not likely to be well received; and indeed, all attempts to get women onto the council of the association initially failed. At this point, however, Miss Di Palma discovered that she had a political instinct. She manoeuvred the women's group so close to victory that the council of the association gave in gracefully and co-opted her, as a female representative, into their midst. She has since proved her worth with a year as vice president, and another as deputy president, in preparation for this year in office.

As chairman of her own association's council, and their representative on the consultative council of the six accountancy bodies (CCAB), she has the power to initiate developments for the profession as a whole. One of those she is most

likely to pursue would put the CCAB out of business.

She thinks that the present division of the accounting profession into six professional bodies is ridiculous. In tackling this problem she will have a tough fight. The last time that it was suggested that the six professional bodies should be amalgamated, the English Chartered Accountants threw the suggestion out—for motives variously attributed to jealous pride in their own exclusive status and resentment at being dictated to from London.

Another theme of her presidential year will be accountancy as a career for women. To some extent, her earlier activities in this field have borne fruit already: for as against a female membership of only three per cent in 1965, five per cent of the members of the association are women now, and 25 per cent of the students registered with the association last year were girls. She thinks that the figure should be much higher—partly because an accountancy qualification in itself opens up all sorts of career possibilities, and partly because it is a profession in which it is possible to pursue with intermittent breaks, or on a part time basis.

A. L. Gleesum



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THE ARTS

Baryshnikov heralds a magical mingling of Broadway's arts

New York
To catch the most engrossing event in music and dance in New York over the past week it was necessary only to cross the room and turn on the television or, in the more sophisticated households, make sure that the video was in good running order. At 9.00 in the evening it was almost possible to hear the click of the tapes switching on all over town to capture Baryshnikov on Broadway on Channel 9.

The advance publicity had been substantial. The bookshops were full of the souvenir carrying the title of the show, admirably photographed—see right—by Martha Swope (Harmony Books, \$3.95). And Baryshnikov, not so long ago had cast an eye in the direction of Broadway when he danced in Jerome Robbins's *Fancy Free* at a City Ballet gala.

The opening minutes suggested that the expectations had pitched far too high: Baryshnikov, making the way to Broadway, sharing a restaurant on rue with Liza Minelli in a Stuber Alley studio, being led through a rehearsal mirror into the wonderland that is the musical. All this smacked of MGM many years ago in its most naive and reverential mood. But then the gush stopped and song and dance took over. Baryshnikov proved within minutes that he could be a Broadway star any day; he decided to make the change. The impresarios have probably been queuing up with their cheque books, but it is well to remember that Baryshnikov has a contract of his own as director of American Ballet Theatre, starting in September.

The versatility is extraordinary. He wears in succession top hat, straw hat, cowboy stetson, snap brim, chapeau, and they all fit perfectly: he looks equally well with a quiff of hair brushed towards the eyes, which are boyish and challenging at the same time. He sings a little, in a Fred Astaireish voice; he plays piano; and he dances. Goodness, how he dances. He seems to have absorbed all the styles which he went through that mirror to admire. There is the relaxed, loose-limbed manner of Ray Bolger in *On the Town*; the peculiar and appealing quality of childhood being recovered through memory, we get an almost ready-made series of episodes and events most of which, although sharply sketched, lack that special quality of good autobiography, the movement, however implicit, between now and then; the tension which arises from incorporating that which we were, into that which we are. James ducks such issues by coming on as a story-teller, almost a script-writer. There is little sign here of the man we know from elsewhere, none of the acerbic self-consciousness, the feeling for the ridiculous, for the simultaneous reality and unreality of images.

Perhaps he considered that such a tenuous connexion with his present public personality that he had no wish to take "Clive James" with him on his biographical journey. But this is not the only alternative. In the example of Gilbert and Sullivan, he has chosen to take "Clive James" with him on his biographical journey. But this is not the only alternative. In the example of Gilbert and Sullivan, he has chosen to take "Clive James" with him on his biographical journey.

Unreliable Memoirs
By Clive James
(Cape, £5.50)
Thanks to Clive James I am now just about ready to appear on *Mastermind* as an expert on "lollies". Not lolly lollies, you understand. Not those chunks of coloured ice which in the Easdale Road would be sucked quite clean of flavour and colour but which now in Odeon 3 have the suspicious blandness of crystallised soy bean. No, lollies, the Australian name for what we English call sweets and the Americans call candy. Lollies like the *Houdley Violet Crumble Bar*; dense honeycomb covered with chocolate, so fragile, says James, that it was like trying to eat a Ming vase, or *Fantail*, a chocolate coated toffee "so glutinous that it could induce lockjaw in a mule", and not forgetting the famous *Jaffa* with its two critically different forms of consumption (suck or bite) and handiness as ammunition during productions of *Giselle*.

This meticulous listing of the fads and fancies of childhood, the evidence that the books is the most successful part of James's story of Australian childhood. The appeal to an English audience is hardly nostalgic. Australia did have *Violet Crumble Bars* and *Jungles* but few in this country can be on first name terms with *Houdley's Violet Crumble Bar*, let alone have been reprimanded for polio-ing a girl with a wee dagger. What is telling about this inventory of unfamiliar detail is that it captures the obsessiveness of childhood, a time when the finest aesthetic discriminations are brought to bear on nothing more (or less) than chocolate bars and conkers.

But although James gets the feel of detail right, it is a little disappointing to find that he is unable to perform a similar feat of resurrection upon the day to day experience of childhood. There are good and bad times recorded here, the construction of a back-garden earthworks which Uncle Toby would have envied, a box car race which makes "the Indi-anapolis 500 look effete, and an outrageous school farthing competition which is quite profane enough to remind us that



left: Mikhail Baryshnikov and Liza Minelli in "Baryshnikov on Broadway" ... both want to be showstoppers and both succeed without any apparent effort"; above: Rudolf Nureyev and Yuriko Kimura in "Equatorial", a marvellously strong pair "even judged by the overall strength of the Martha Graham company

created for the programme. But these quibbles are brushed aside by the achievements of Baryshnikov and his guide, companion and co-artist, Liza Minelli. Both want to be showstoppers and both succeed without any apparent effort. Both leave the viewer wanting more and wondering what, if anything, has been left on the cutting-room floor.

BBC television are currently bidding for British rights. May they be able to screen it soon. *Baryshnikov on Broadway* gives clear warning that strict compartmentalization of the arts is breaking up in New York. It is a view which can be confirmed by standing in the

middle of the Lincoln Center piazza and looking at the surrounding theatres. There were raised eyebrows when the Met announced that next February it was going to mount a triple bill consisting of Ravel's *L'Enfant et les sortilèges*, Poulenc's *Les Mamelles de Tirésias* and Satie's ballet *Parade*. John Dexter, the Met's director of production, stages the first two and Nureyev choreographs the third. It has already been argued forcefully that none of these works is big enough to fill a house the size of the Met, and David Hockney, in his New York stage debut, has taken on a substantial design task in every sense of the

phrase. The opera diehards are also none too happy about seeing ballet intruding on the winter season. There are plans for a further incursion in two years' time when a Stravinsky triple bill is to include *Sacre du printemps*, *Don Quixote*, and *The Firebird*. However, the Met's music director, James Levine, is rightly keen to widen the repertoire and this is one way of doing it. It can also be argued that the Met, in common with all other major houses, is becoming more and more dependent on a tiny team of international stars. It so happened that season ended with a glorious interpretation of Puccini's *Manon Lescaut*, on the

same evening coincidentally that BBC 2 transmitted an earlier performance. But the number of times a year Levine, Domingo and Scotto can be brought together is limited. It is the number of occasions that Gian Carlo Menotti, an outstanding producer of romantic opera, can be persuaded to stage someone else's work rather than his own.

The move towards mixed-media evenings is likely to continue even though for the moment opera appears to rule the winter and dance the summer. Until the end of this week the Nureyev company is in the house, paying its second visit there as a fairly late replacement for the Paris Opéra Ballet who cancelled for a number of reasons, including a dispute over the number of guest artists to be used.

Apart from Liza Minelli, who returns to narrate *The Owl and the Pussycat*, the Graham company uses one major guest artist, Rudolf Nureyev almost inevitably, who was to have appeared with the Paris troupe. On the opening night Nureyev danced for the first time in *Equatorial* opposite Yuriko Kimura: they made a marvellously strong pair, even though the Nureyev style is hardly the Graham style, and Vardes's music is unattractive. *Strength* is one of the great qualities of the company and it was well

Sills expanding the range of City Opera

Beverly Sills is now fully established as the general director of the New York City Opera, and she has so far been a tightening of casting, a control of the repertoire so that works are given in a two or three-week span and then dropped, and a bricker against the problems of repertoire opera.

Two of this spring season's new productions are indicative of the shape of the future (though both were in the pipeline before Sills took over). *One, Prokofiev's A Love for Three Oranges*, was borrowed from the San Diego Opera, a practice begun long before Sills but which will be expanded in future seasons. Another, Kurt Weill's *Silbersee (Silverlake)*, employed a number of Broadway names, and seems to suggest that Sills is anxious to develop a light opera or "musical" troupe either as part of or as an adjunct to the main company. The third new production, *Don Giovanni*, brought a repertoire work to the house in a fresh staging.

Don Giovanni, staged by Glyndebourne's John Cox with massive and complex sets by Michael Annals, was largely a straightforward look at the opera, with several jarring innovations—the chief being to portray the Commendatore as a gentle coward, so that Giovanni kills him in cold blood. (Cox wherefore then, his renown as a warrior?). Yet Cox's work in general focused on the characters' individualities, and his achievement was to make his idiosyncrasies. The clustrophobic sets (which now and then defeated the stagehands) and the dark-light stage emphasized the menace of the opera, but oddly Julius Rudel's conducting (and his overwitty reticent accompaniments) went against this conception, being lyric and graceful.

The cast was dominated by Samuel Ramey's Giovanni, who, though not yet completely realized as either a demon in human form or a creature of irresistible charm, was nonetheless sung with style and vigour. Of the rest, Faith Edman's Zerlina outshone her female companions (as in the original performance) both stylistically and vocally, although Carol Vess's Anna was strongly projected as a woman of virulent hatred and fire (her voice is still in the

demonstrated in the evening's novelty, *Frederico*, which had previously only been seen at the opening of the Sackler Wing at the Metropolitan Museum of Modern Art. The only play about this ancient and severe comment on Antony and Cleopatra is that the music, Samuel Barber's two-Cleopatra arias sung by Leontyne Price, had to be heard on tape.

Across the Plaza the City Opera concludes their season on Sunday in the new, the Julius Rudel, who directed them for 22 years until Beverly Sills took over, is severing his connexion with the company at the end of the autumn. Despite declarations of "friendship" Rudel has clearly decided that his career lies elsewhere: in Chicago, for instance, where he has a long-term contract with the Lyric Opera, and even perhaps at the Met, where he is scheduled to conduct *Hoffmann* next year.

By coincidence Hoffmann was the opera I saw at the New York State Theatre, indifferently conducted—not by Mr Rudel. On the evidence of this performance Miss Sills has a lot of work to do. She has been together by the baritone Samuel Ramey, much improved since his Glyndebourne appearances in *Figaro*, in the quadruple role of Hoffmann's *Deserted*. Despite the friendly and indulgent audience, which the City Opera has nurtured, the other singers had difficulty in filling the house when standing anywhere further back than the footlights. In many respects Miss Sills's problems reflect those of her colleagues across at the Met in the need to find artists with sufficient decisiveness for the endowment.

And she also might use a discreet change in the repertoire as a way out. One of the most interesting names on the plans for next season is that of Hugh Wheeler, who is doing the English adaptation for the new production of *The Student Prince*, which plays for a week at the end of August. Ramey's opera is not in itself so wretched a choice as it might appear: City Opera used to play a *Student Prince* in the grounds where the summer holidays of their regular patrons are still in full swing. Mr Wheeler, though, is very much a Broadway name and one associated with Ray Prince. They have already worked together at City Opera on Kurt Weill's *Silbersee* to very mixed critical reaction—see Patrick J. Smith's report below.

Closer links with this team may well be one solution to repertoire problems. So while Baryshnikov flirts with Broadway it could well be that Broadway might be persuaded itself to have a little fling with the Lincoln Center.

John Higgins

Handelian charm

Acis and Galatea
Banqueting House

Stanley Sadie
In tune with recent custom, the English Bach Festival opened with a costume event at the Whitehall Banqueting House. There are, of course, notably Sunday's "Music for the Wedding of the Sun King" by Lully and Cavalli. On Monday it was Handel: that verdant product of his early years in England, *Acis and Galatea*. Handel composed it for the Duke of Chandos's mansion near Egham, possibly for staging, but more likely for some kind of concert or party acted performance. He had only a handful of singers; if the work is staged, Polypheme has to be something of a quick-change artist. Acis has to be promptly resurrected (or, as here, a substitute hastily brought in), and Galatea finally has to advise herself to dry her own tears—for the choruses require the use of soloists. But the music makes a much better effect that way than in Handel's later, grander version which until lately has been more popular.

Brian Trowell, who produced, did wisely to prefer the small-scale approach. He staged it charmingly, with Acis and Galatea in Rococo pastoral costumes, the observers in something more rustic, and Polypheme in a rude, hairy skin. For the opening choruses he had the lovers somewhat apart but everyone cheerfully intertwining when the music hit at dance. Gesture was nicely stylized. The only real mistake was to have Galatea patently interested in Polypheme's advances; it belied the emotions she has later to express in sincere, heartfelt music.

We also had the original coarse words for "Cease to beauty", a little extra music in the finale, and a lot of ornamentation, this last mostly along the right lines but often ill-coordinated in detail. The Banqueting House has acoustical shortcomings, and that may be why the accompanying ensemble sounded poorly: all oboes (less than perfectly tuned) and basses (slightly) when one needed to hear clearly. The direction from the keyboard, combined with a little time-beating from Professor Trowell, rarely seemed to arrive at just tempos (most were too slow). But mostly it was distinguished, firm, sweet-toned singing and a sensitive phrasing of Ann Mackay, then through the forthright but elegant Act of Peter Jeffrey. Rodney McCann made a Polypheme both thunderous and comic. Goldstone sang two of the tenor arias with delicacy and natural styliness, and Adrian Thompson did another with considerable eloquence.

Genevieve de Brabant
John Lewis Auditorium

William Mann
Offenbach has figured several times in the annual opera production given by John Lewis Partnership Music Society, and does so even more appropriately this year, in which we commemorate the centenary of his death.

Choice fell on *Genevieve de Brabant* which Offenbach revised twice, lengthening it time. The second version was a popular success in London and left behind it the Gendarmes' Duet, which amateur singers will do well to render at musical evenings of any kind. How they became gendarmes I know not; the plot is set in the time of the Crusades, and the duet is sung by two comic hired assassins.

The lady of the title was the chaste and lovely wife of Don Siegfried of Brabant (in Offenbach he became Sifroy), falsely accused by the villainous and ambitious Golo of adultery, sent to wander in a forest, while the duke was supposedly away on a Crusade (the librettists had him carousing with Charles Martell somewhere near Paris). All is revealed in time for a happy ending to a protracted and rambling opera. The old French story which Geoffrey Wilson and Max Morris have arranged in English for the Partnership's production.

It is not exactly easy to keep a firm grip on the details of the plot as it unfolds; with Offenbach's music there is no such trouble, and I was delighted to make the acquaintance of a host of jolly characters, many of which already sounded familiar. Tom Hawkes's production misses no opportunity for amusing gags, few of them as sophisticated as Sifroy's arrival by swan (Lohengrin also takes part in Brabant), some perhaps over the heads of outsiders. James Robertson conducts the Cavendish Orchestra in a lusty performance (others tonight, and on Friday) and, as usual, some young professionals are imported to do justice to the important roles, though members of the society did so too.

Some of the reviews on this page are reprinted from yesterday's later editions.

Exhibition of work
by Salvador Dali

The first major exhibition of the work of the surrealist Salvador Dali will open at the Tate Gallery on May 14, and run until June 29. The exhibition, which is the first to be shown at the present time, includes over 300 paintings, drawings and surrealist objects.

Television

Panorama
BBC 1

Stanley Reynolds

The sudden resignation of Mr Cyrus Vance, the American Secretary of State, robbed Mr Richard Nixon, the former president of the limelight on BBC 1's *Panorama* on Monday. One had looked forward to an evening of watching Mr Nixon promoting his new book, *The Real War*, and perhaps rather gleefully, discussing the handling of the dreadful state of the Western alliance and relations with the Soviet Union. Indeed, an hour with Tricky Dicky, the man you would not buy a used car from, would have been a jolly piece of nostalgia. But events caught up with *Panorama*, and quite rightly Mr Nixon was shoved into the tail-end of the programme which dealt, instead, with Mr Vance's resignation and the serious question of East-West relations and the appalling situation Mr Carter now finds himself in.

Panorama had an interview with Dr Brzezinski, the spokesman on national security, Mr Carter's hawk, as opposed to Mr Vance, who was his dove, and the disastrous hostage rescue attempt was aired at some length before Mr Nixon came on.

Nixon watchers would not have been entirely disappointed by the performance. The former President played the thoughtful elder statesman perfectly. He cautioned his "fellow Republicans" against the temptation of making political hay out of President Carter's misfortune and then, almost as an aside, said the way out of America's present difficulties would be spending an extra \$30 billion on defence and bringing back conscription.

The 30 billion, he said with a smile, would amount to a mere 1 per cent of the gross national product.

The rest was soothing noises. But the suggested 30 billion increase should not be overlooked. Mr Nixon, for all the stigma attached to him since Watergate and his resignation, is still much admired by Republican party thinking, indeed to big banking, and as he spoke blandly of this increase in military spending one realized that it would be a way out of the present recession in the United States and a path that a Republican president might take.

The 30 billion extra was a most interesting aside. *Panorama* gave Mr Nixon the brush off on Monday, but thought viewers were probably going to bookshops yesterday to buy the former president's book.

London debuts

Audiences in Britain have yet to catch up with much twentieth-century American music in general, let alone such a relatively unexplored corner of it as that written for viola. On Woodward built her Wigmore Hall programme with Roger Vignoles entirely from this, and deserved admiration for her breadth of musical understanding as well as her technical mastery of technique.

Both a 1975 Sonata by George Rochberg and the Sonata No 2 (1953) by Ross Lee Finney (now one of America's musical elders) gave the impression of having been written more for academic reasons than for inner compulsion, but a pithy Parvita by Philip Rhodes had greater conviction, for viola alone, it was written in 1978 for Miss Woodward, exploiting technique with engaging character, especially in the contrasting central movements, a melancholy Air and a lively Scherzo.

To declare this the most impressive item in the programme is not to detract from Mr Vignoles, whose piano partnership was admirably fluent as well as balanced, not least in a very early *Pastoral* by Elliott Carter and to Bloch's *Suite hébraïque*, where Miss Woodward's sensitive eloquence recalled their respective musical grass roots with expressive charm.

Also on the South Bank the baritone Richard Stuart appeared in one of the Royal Academy of Music's Westmorland concerts, following appearances with the Singing Company and English Music Theatre. His operatic experience brought rewards in songs such as the comedy-character of Mussorgsky's "The Seminary", and the first and last of Ravel's three-part *Don Quichotte à Dulcinée*, with well-phrased accompaniment from Susan Cook.

In Finzi's settings of Thomas Hardy, *I said to Love*, and in Poulenc's *Le Bestiaire*, the

New Ashton ballet in five-week season

A new one-act ballet by Sir Frederick Ashton will receive its premiere on August 4 as part of an eightieth birthday tribute to the Queen Mother. But the premiere will only be one special event during a five-week season at the Royal Opera House solely devoted to ballet.

After a period of excluding guest artists, in order to give the company's own dancers more opportunities, the Royal Ballet is now presenting more performances than before and so has decided to bring back guest dancers. Thus, during the season in July and early August, there will be appearances from Mikhail Baryshnikov in *Romeo and Juliet*, from the American dancer Gregory Kirkland in the same ballet, and from Natalia Makarova in *Giselle*, *Manon*, *Swan Lake* and *A Month in the Country*. All three dancers will also be appearing in the Royal Ballet Gala on July 17.

More guest artists will be seen with the company next month when Richard Cragun and Birgit Kell dance in Kenneth Macmillan's ballet *My Brother, My Sister*, which he created for the Stuttgart Ballet in 1978. Two other ballets new to the company's repertoire will be presented in the same programme: *Troy Game*, by Robert North, and a new one-act ballet by David Bintley, *Alicia*.

Noël Goodwin

Glyndebourne goes to Paris

Glyndebourne's production of *The Rake's Progress*, complete with the Hockney scenery and costumes, is travelling to Paris in November for four performances at the Théâtre des Champs Elysées. As at Glyndebourne the cast will be led by Leo Goeke and Felicity Lott, and the opera will be conducted by Bernard Haitink, although the London Philharmonic will

be replaced by the Orchestre de Paris. The visit is being organized under the auspices of the Festival d'Aix-en-Provence, which this year is given over to a series of performances of the French repertoire. The Glyndebourne cast will also feature the New York Philharmonic under Mehta, the London Symphony Orchestra under Abbado and the BBC Symphony Orchestra under Rozdestvensky.

Patrick J. Smith

Pinter premiere at Hampstead

An early play by Harold Pinter, *Hothouse*, which he wrote in 1958 and then laid aside, will receive its premiere at the Hampstead Theatre to-

Laurie Taylor

morrow. It will be directed by the playwright, with a cast of Roger Davidson, Edward de Souza, Robert East, Michael Forrett, James Grant, Derek Newark and Angela Pleasence.

مكتبة الامم المتحدة

Edward Mortimer says the way to strengthen Pakistan is by economic not military aid

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Sterling
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Index 73.2, down 0.5

Dollar
Index 86.5, down 0.1

Gold
\$518.50, down 57

Money
3 mth sterling 174.174
3 mth Euro-S 144.154
6 mth Euro-S 14.14

IN BRIEF

Delay on retailing discounts report

Action on discounts to retailers is unlikely before the Monopolies and Mergers Commission reports on discounting practices later this year, the retail Consortium was told at meeting with Mr John Nott, secretary of State for Trade, yesterday.

Mr Nott did not expect any company reference for investigation would be made before the end of the year. He also indicated that the government was unlikely to legislate on the issue.

But if the Government is persuaded by the Monopolies Commission to take action on a retail basis, there will be for consultations with the industry. If there were action on discounting practices, it would have to be on an individual company basis.

Offshore discovery

Phillips Petroleum, Ivory Coast, Agip S.P.A., Petroli, the local oil company of the Ivory Coast have announced an offshore oil discovery near Idjan in West Africa. Phillips Petroleum is the operating company.

Judgment reserved

The House of Lords has reserved judgment on a final appeal by Lorrho to gain access to documents relating to the Rhodesian sanctions. The House is expected to reach a decision on the appeal in the next few days.

IGD mandate ends

Industry financing of large steel Kingdom export contracts in foreign currency will no longer be required by the new Credits Guarantee agreement, Mr Cecil Perkins, the Trade Minister has said.

5m Eurobond issue

The Federal Business Development Bank of Canada is issuing \$75m (about £33m) of five-year, 10 per cent Eurobonds.

K broking link

Lowes and Pittman Inc, the Texas subsidiary of K and Pittman, the London stockbroker, is to open an office in Boston, Massachusetts, May 1. It will be the first subsidiary of a United Kingdom brokerage house to do so.

35m pollution bid

Occidental Petroleum has 1 in Los Angeles is will oppose a \$655m (£279m) suit filed against it by Hooker Chemicals and its New York State over cleanup of chemical wastes in Love Canal.

Marathon jobs saved

More than 700 jobs on Clydeside were saved when a French firm took over the Marathon building yard yesterday. On Industrial Enterprise Ltd, a French firm, has been bought by a United States firm for \$180 million.

Mounting losses force Thorn EMI to abandon medical scanner market

By Bill Johnston
Thorn EMI is withdrawing from the medical diagnostic scanner market which it made into a multimillion pound business less than 8 years ago.

The company is the latest casualty in the highly competitive medical electronics field. Contractions have been particularly acute in the United States where government legislation curtailing excessive capital expenditure on medical equipment has made survival difficult.

The company said it recognized with the present state of the market, the medical business was unlikely to return to profitability. Heavy investment in development and engineering would be needed to support the business.

Profitability has dropped dramatically since 1972 when EMI, as it then was, launched its scanner, a revolution in design and high technology. Over the next five years scanners were being used in six countries and had netted EMI £24m in profits.

But by the end of 1978 EMI's medical electronics group was in desperate financial trouble.

The American market, the most lucrative in the world, was seriously constrained by federal legislation preventing equipment purchases in excess of \$100,000 (£43,500).

In the 1978-79 financial year the group lost £13m and this year the loss so far is around £18m-10m.

Thorn EMI has made conditional arrangements with the medical systems business division of the American General Electric company to ensure continuing support by GE for EMI's medical electronics customers.

Under this agreement GE will service new EMI scanners in the American market and will also be responsible for sales and servicing outside North America.

Also, Thorn EMI has agreed conditionally to a settlement of its legal action against GE.

General Electric is to pay a royalty for a non-exclusive licence and will have access to certain assets of the EMI medical electronics group, principally spare parts inventories necessary to support the scanners.

It will also acquire the EMI medical factory at Radlett, Hertfordshire, which it will use to manufacture medical electronic equipment and a limited range of products sold by EMI outside America.

Thorn EMI says arrangements are being made to ensure outstanding orders for its two latest models of scanner, the 7070 and the 6000. The company will continue to support the manufacture of these products, which the new arrangement with GE does not include.

These agreements should net Thorn EMI £37.5m.

But they also mark the company's withdrawal from the general medical electronics market and will mean the end of the production of a device which brought the company so much prestige.

The inventor of the scanner, Mr Geoffrey Hounsfield, was awarded 40 prizes from universities and institutes throughout the world, the CBE, and the Nobel prize for technology for his work on his high technological design.

Gibb's expulsion a 'retrograde step'

By Andrew Goodrick-Clarke
Financial Editor

An esoteric dispute is simmering after the proposal to expel Anthony Gibbs from the Accepting Houses Committee, an elite group of City merchant banks.

Sir Philip de Zulueta, chairman of Anthony Gibbs, whose impending takeover by Hongkong and Shanghai Banking Corporation led to the committee proposing expulsion, thought the decision would prove a retrograde step for the committee.

An exchange of letters between Mr John Baring, chairman of the AHC, and Sir Philip was published. Mr Baring's letter said: "With great regret we have come to the conclusion that in the event of the offer (from the Hongkong and Shanghai) becoming successful, the committee would no longer be eligible for membership of the committee. I am now writing formally to convey this to you."

The committee's decision was based on a rule that its members, the leading 17 City merchant banks, have to be full members or under the control of full members of the British Bankers' Association. Hongkong and Shanghai is considered to

be a foreign bank and is not a full member.

Sir Philip refused to resign. He argued that a crown colony bank should be considered British in this context. He had pointed out that the Hongkong and Shanghai was prepared to assure Gibbs of management independence after the takeover.

His letter to Mr Baring says: "Naturally I regret the committee's decision but obviously I must accept it."

Later he said that the committee seemed to have taken the "rather narrow British view that any bank not owned in London should not be a member of the AHC."

It is understood that the committee's proposed expulsion of Gibbs was based on the rule about being a full member of the British Bankers' Association, but Mr Baring's letter gives no reasons for the decision other than that membership would cease when the Hongkong and Shanghai assumed control.



Sir Philip de Zulueta: Accepting Houses Committee taking narrow British view.

proposals on bank liquidity requirements.

Accepting Houses, which at one time were uniquely able to have their bills rediscounted at the finest possible rates in the money market and who enjoyed a special relationship with the Bank of England, now have

exactly the same status as any recognized bank under the Act.

Nevertheless, merchant banks want to be members, or as in the case of Gibbs, will fight hard to retain membership. EMI, belonging to the AHC, apart from belonging to the best "club" available to merchant bankers, apparently confers a competitive advantage not available to others.

The Gibbs affair is not the end of the committee's dilemma on membership. It now has to deal with Singer & Friedlander, a subsidiary of insurance brokers C. T. Bowring, which has agreed to a takeover by the American insurance brokers, Marsh & McLennan.

The AHC said yesterday that Singer would continue to be a member pending the outcome of any arrangements for the bank after the takeover of Bowring.

Marsh, in its offer for Bowring, says that they both want Singer to continue as an AHC member. But Marsh seems to acknowledge that this would be impossible under foreign ownership by saying that ways of disposing of Singer (possibly to the present manager, who would be a bank) which would enable continued membership are being examined.

Financial Editor, page 21

Dollar weakened by sharp drop in US interest rates

By Our Economics Staff

The First National Bank of Chicago cut its prime lending rate to 18 1/2 per cent yesterday.

On Monday, Morgan Guaranty Trust and the National Bank of Detroit brought their rates down to 18 1/2 per cent.

There is still room for further falls in prime rates. So far American banks have kept the rates charged to their best customers from falling nearly as fast as those on Treasury bills, or the key Fed funds rate.

There is now an unusually wide variation in the prime rates charged by large United States banks. This ranges from the 18 1/2 per cent of Morgan Guaranty to 19 per cent of Chase Manhattan and 19 1/2 per cent of Citicorp.

As rates drop in the coming weeks it is likely that prime will move closer together again. One reason for the disparity is the general uncertainty about the speed and precise timing of the interest rate cuts.

Most people have been surprised by how soon United States rates started to fall back after racing to 20 per cent peaks very quickly this year.

The drop in interest rates, combined with worries about Iran, have weakened the dollar considerably. Yesterday's changes marked the dollar

down a little further, despite some American Central Bank support.

Two smaller banks moved their prime rates down to 18 1/2 per cent yesterday - the First National of St Louis, and the Boatmen's National Bank of St Louis.

West German bankers agree the German Federal Bank will probably not raise leading German interest rates when its central bank council meets today.

There are no indications yet from the Federal Bank that a cut in discount from its current seven per cent is in the offing.

Money market sources said banks were pressing the Federal Reserve to ease recurring liquidity shortages, preferably by a cut in minimum reserve requirements.

In London the dollar rallied from an early 1.7865 to 1.8045/50 to the Deutsche Mark before settling at 1.8015. This was a net gain on Monday's 1.7980 against the mark.

Elsewhere, recent yen strength sent the dollar down to 239.40 (previously 241.10) against the yen.

Congress to take action on Hunt brothers

By Our Economics Staff

Washington, April 28.—Mr Nelson Bunker Hunt and his brother, Mr William Herbert Hunt, failed to answer a subpoena issued by the subcommittee on commerce of the government operations committee of the United States Congress over their silver transactions.

Mr Roger Goldberg, attorney for the Hunt brothers, said they were not being contacted by Congress, but felt that they should not be "caught up in a competition for their testimony."

He said a variety of government agencies were requesting that the Hunts should testify and they felt that an orderly process to deliver their testimony should be worked out.

Mr Benjamin Rosenthal, chairman of the subcommittee, said that a letter received yesterday and intended as a motion to quash the subpoenas was an "abuse of process." He refused to accept the letter as a motion and stated that failure to respond to the subpoenas could be construed as contempt of Congress.

The subcommittee later voted 6-0 to ask the full House for a vote on a resolution of Congress resolution against the Hunt brothers.

CBI survey finds half of companies gloomier

By Our Economics Staff

Continuing pessimism among leaders of manufacturing industry is reflected in the latest quarterly survey of trends published today by the Confederation of British Industry.

Business confidence remains at a low ebb throughout manufacturing industry. Of the 1,543 companies in the survey, 47 per cent said they were less optimistic about general business prospects in their own industries than they were four months ago.

The gloomiest predictions were in textiles, metal manufacturing and food, drink and tobacco sectors. Declining optimism was not so marked in electrical and mechanical engineering.

Commenting on the results, Sir Raymond Penck, who became president of the CBI on May 1, reiterated industry's call for action by the Government "in the coming months" to reduce public spending further and to lower interest rates. The latter were having a significant effect on activity in smaller companies, he said.

Industry was being hit by a combination of factors, he said, high interest rates, high wage settlements, high sterling exchange rates, and the continuing effect of strikes and the lack of confidence they created. The CBI would continue to support the Government's monetary policy, he said, but it was hoped there could have been more

effective control of public spending by now.

The survey showed that underuse of capacity in industry had become more widespread than at any time since July 1975, with 70 per cent of companies working below capacity.

A rising proportion (57 per cent) of companies reported below normal levels of order books and, for the fourth successive quarterly survey, more companies reported a rise in stocks of finished goods than reported a decline.

More than half of those surveyed suffered a deterioration in liquidity in the past year. As a result, 19 per cent said they were cutting stocks and 11 per cent, the highest since April, 1975, said they would reduce capital spending.

Scots gloom: An economic survey of 131 Scottish manufacturing companies showed that the level of activity had continued to fall, according to the CBI in Scotland, Hugh Davidson writes.

Mr Charles Wallace, chairman of the CBI Scottish industrial trends panel, said in Glasgow yesterday that he regarded it as one of the gloomiest economic forecasts for many years.

Exports prospects for Scotland appeared to be brighter than for the rest of the United Kingdom. These included chemicals and petroleum products as well as whisky.

£100m Scottish paper mill plan abandoned

By Edward Townsend

Plans to build a £100m newsprint mill on the site of Wiggins Teape's loss-making pulp operation in the Scottish Highlands have been abandoned and 450 jobs will be lost.

Wiggins Teape, and its partner in the proposed venture, Consolidated-Bathurst, of Canada, said yesterday that very detailed studies had shown that newsprint could not be manufactured competitively at the Fort William site.

The scheme, which aroused considerable interest in the United Kingdom industry when it was announced in February, could have meant a halt to the declining trend in British newsprint production.

Earlier, both Reed and Bowater, the paper manufacturers, had turned down offers of a stake in the project on the grounds that it would not achieve an adequate rate of return.

A combination of factors now has convinced Wiggins Teape and Consolidated-Bathurst that the scheme would not succeed. Among these has been a refusal by the Government to provide more financial aid than the normal development area grants to agree to subsidised power costs.

Mr Patrick Best, chairman of Wiggins Teape, said yesterday the amount of the grant offered by the Government came a long way short of expectation. One factor was that the site was not as good as £20m but Mr Best declined to con-

firm the figure which he said was "a matter of commercial confidence."

In February, the two companies said the project was dependent upon satisfactory negotiations on the price of wood and financial subsidies.

Mr Best said: "Despite serious discussions with employees on manning levels, failure to reach agreement on our expectations of wood cost meant an unsuccessful end to all the efforts by both management and work force over the past year to find a future for the pulp mill."

Consolidated-Bathurst, one of Canada's leading paper producers, had hoped to achieve a more internationally competitive price for wood, which costs about twice as much in Britain as in Canada.

Newsprint prices tend to be based on the American dollar, and in the United Kingdom they are dependent upon the sterling exchange rate.

Mr Bill Turner, president of the Canadian company, said: "The business risks involved in the project have been increased by growing uncertainty over the future relationship between the pound and the dollar and we had to be doubly certain that, the other financial components were at the right level."

The Fort William operation is Britain's only integrated pulp mill. It has been losing money at the rate of £2m-£3m a year.

\$500m loan package to rescue US bank

Continued from page 1

more than \$500m in government securities and similar long-term fixed interest bonds financed by short-term loans and deposits. The cost of financing these securities has spiralled with the recent increase in interest rates.

That problem became more acute in recent weeks as the Federal Reserve Board's credit squeeze forced interest rates to rise 20 per cent prime rate. The possibility of a recession in the next few months increased the threat of bad debts and added to the bank's troubles.

Mr Butler said that because of the high interest rates the bank's problems were short term. The financing would enable the bank to keep afloat until interest rates returned to more normal levels and its bond portfolio matured.

Both Mr Butler and Mr Irvine Sprague, chairman of the Federal Deposit Insurance Corporation, insist that the difficulties arise from the

bank's loss of earnings, not from a deficiency of assets caused by bad loans.

Mr Sprague also insists that it is "an isolated case" and not the forerunner of more failures. He expects 10 to 12 banks will run into difficulties this year, which is about average.

Other sources in the United States feel that the difficulties in the banking system lie deeper.

First Pennsylvania's problems had been worsened by recent bad publicity which drew attention to the bank's difficulties and caused a loss of confidence among depositors, Mr Butler said.

A report that the FDIC auditors had spent a month in the bank, coupled with publicity that federal banking regulators were assembling an aid package for a major bank, had been particularly damaging.

Financial Editor, page 21

Unigate bids £11.3m for Clifford's Dairies

By Ronald Pullen

Unigate, the dairy products and foods group, is planning to spend some of the £87m it raised from the sale of its creameries to the Milk Marketing Board last year on expanding its milk interests.

The group announced yesterday a £11.3m takeover bid for Clifford's Dairies, the last remaining independent dairy in the United Kingdom.

The offer was quickly rejected by Mr Gordon Clifford, chairman of the Berkshire-based company, as "very unwelcome."

Unigate is offering one of its shares for each of the non-voting "A" shares which make up more than four-fifths of Clifford's issued capital, and an extra 15p for each of the voting shares. There is a cash alternative of 10p for the non-voting shares and 15p for the voting shares, a premium of more than 40 per cent on the overnight price.

Clifford's ordinary shares jumped 28p to 120p after the news and the "A" shares 21p to 10p, while Unigate eased 1p to 113p.

There is also an unusual condition that the bid will only go ahead if Clifford's agrees to drop its plans to raise £15.3m via a rights issue. Unigate explained that it had ample resources to meet Clifford's cash requirements and that it did not want to confuse shareholders.

If the bid is successful, it will improve Unigate's geographical spread in the Berkshire and Oxfordshire areas, boosting its share of the United Kingdom liquid milk market by about 2 per cent to around 20 per cent, compared with the Cooperative Wholesale Society share of perhaps 30 per cent and Grand Metropolitan's 15 per cent.

Unigate at present holds 3.9 per cent of the ordinary shares in Clifford's and 5.1 per cent of the non-voting shares.

The directors of Clifford's control almost a quarter of the voting shares, and yesterday claimed that they could count on family and friends for another third of the shares.

Financial Editor, page 21

Chancellor stresses need for lower pay settlements to help industry

By Caroline Atkinson

The Government's monetary targets are not compatible with the high level of pay settlements over the last year, according to Sir Geoffrey Howe, Chancellor of the Exchequer.

He told the chamber of commerce at Milton Keynes yesterday that lower wage settlements were essential if British industry was not to be priced out of world markets.

Sir Geoffrey said that the Government must not relax its monetary policy now. That had been the essence of a speech made recently by Mr John Biffen, Chief Secretary to the Treasury.

At the time Mr Biffen's controversial speech was interpreted by some as a softening of the firm monetarist line but Sir Geoffrey claimed that Mr Biffen had been much misunderstood.

Sir Geoffrey suggested that the Government's monetarist beliefs and policies must be pursued with "relentless determination" if they were to

succeed. There was no quick or easy solution to Britain's economic problems and the Government must continue its policy through the life of this Parliament.

Government critics were also attacked yesterday by Mr Nigel Lawson, Financial Secretary to the Treasury. He described as "perhaps the least convincing" the annual report of the Cambridge economic policy group.

These economists, headed by Mr Wynne Godley, are the main proponents of import controls for Britain.

Mr Lawson emphasized the Government's determination to stick to its strategy.

The Chancellor had pointed out that the medium term financial strategy, published with the Budget, aimed to concentrate on what the Government could do rather than on trying to plan what others should do.

The Government could control the scale of public spending and the growth in the money supply and it must do the

latter to bring down inflation. For the second time in two days, Sir Geoffrey appeared to express regret about the comparability awards for public sector pay. He said yesterday that the Government had to pick up some postponed cheques from last Government's pay policy.

Both Treasury ministers yesterday rejected suggestions that there was a workable alternative economic policy.

The Chancellor said that the old ideas of demand management had failed recently in 1978-79 when a big boom in imports rather than in home production.

He also rejected import controls, saying that they did not make sense for a nation which exports a third of its output.

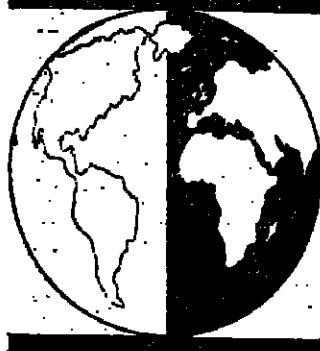
Mr Lawson said that economics was about markets which, by their nature could be neither reliably predicted nor finely tuned. Economic "mumbo jumbo" such as that of Mr Wynne Godley should be paid less attention.

PRICE CHANGES

ses					
oil & Doban	24p to 164p	Int Thomson	33p to 407p		
oil Capel	14p to 117p	Portugal Eac	12p to 143p		
oil Stry	24p to 250p	Tarmac	12p to 240p		
oil Gp	5p to 50p	Ultramar	12p to 625p		
Cont Gas	30p to 794p	Wilson Bros	12p to 34p		

ils					
the Hides	8p to 33p	Negretti & Zam	4p to 46p		
oil Dean	3p to 40p	Petroleum	9p to 18p		
oil type	15p to 45p	Serck	6p to 51p		
oil type	15p to 123p	SA Land	16p to 274p		
oil type	15p to 330p	Welkom	16p to 35p		

THE POUND			
Bank	Bank	Bank	Bank
buys	sells	buys	sells
Bank of America	2.10	Norway Kr	11.60
Bank of Canada	2.10	Portugal Esc	112.50
Bank of France	2.10	South Africa R	1.98
Bank of Germany	2.10	Spain Ptas	164.75
Bank of Italy	2.10	Sweden Kr	9.95
Bank of Japan	2.10	Switzerland Fr	3.99
Bank of Netherlands	2.10	USA \$	2.33
Bank of Spain	2.10	Yugoslavia Dnr	51.00
Bank of Sweden	2.10		
Bank of Switzerland	2.10	Notes for small denominated	
Bank of Yugoslavia	2.10	notes only, not supplied	
Bank of Zaire	2.10	Saradays Bank international	
Bank of Zimbabwe	2.10	Different rates charged	
Bank of Botswana	2.10	and service charges for	
Bank of Lesotho	2.10	business.	
Bank of Malawi	2.10		
Bank of Mauritius	2.10		
Bank of Mozambique	2.10		
Bank of Namibia	2.10		
Bank of Nigeria	2.10		
Bank of Oman	2.10		
Bank of Pakistan	2.10		
Bank of Qatar	2.10		
Bank of Rwanda	2.10		
Bank of Senegal	2.10		
Bank of Sierra Leone	2.10		
Bank of Singapore	2.10		
Bank of South Africa	2.10		
Bank of Sri Lanka	2.10		
Bank of Tanzania	2.10		
Bank of Thailand	2.10		
Bank of Trinidad and Tobago	2.10		
Bank of Uganda	2.10		
Bank of United Kingdom	2.10		
Bank of United States	2.10		
Bank of Venezuela	2.10		
Bank of Zambia	2.10		
Bank of Zimbabwe	2.10		



Zimbabwe not to nationalize mines

Fears the Zimbabwean mining industry may have had about nationalization by the government of Mr Robert Mugabe were allayed this week by Mr Maurice Nyamugumbo, the Minister of Mines.

He said the government policy was to encourage private ownership of mines to generate incentive for expansion and increased production for more profits. This would in turn generate more employment and improve the workers' salaries and working conditions.

The minister said, however, that while encouraging free enterprise in the mining industry, the government expected companies to step up training of Africans so that they could move into top engineering, technical and managerial posts. The minister commended the mining companies which had launched their own training schemes for Africans and increased their minimum wages. He mentioned in particular Rio Tinto and Lonrho for their training schemes in two mines. These two and Anglo American are the main mining companies in Zimbabwe.

Norway's oil outlook

Norway's annual offshore oil revenues may reach between 50,000m and 100,000m crowns (\$5,500m to \$11,000m) by the turn of the century, Mr Arne Eide, economic adviser to the minister of finance, told an oil seminar in Oslo.

Iraqi production

Speaking in Paris Mr Tayeb Abdul-Karim, the Iraqi oil minister, forecast a world petrol shortage, but said Iraq would increase its production according to world market demands.

Swedish deficit widens

The Swedish government says it expects its 1980 trade deficit to widen to 7,060m crowns (about £735m) from the January estimate of 4,500m crowns.

Hopes of agreement to end expensive disputes on big building sites

Smoothing the path of construction

Proposals for a national working agreement aimed at ending labour disruption, delays and soaring costs on large engineering construction sites are expected to be put before the trades unions soon.

An agreement covering basic pay and conditions is seen by the Government as crucial if long-running labour problems on large sites, such as power stations and petrochemical complexes, are to be overcome.

Poor performance on site has cost clients, including many in the public sector, thousands of millions of pounds, and was given as the reason for the Central Electricity Generating Board's decision to abandon work on the Isle of Grain power station after about £450m had been spent.

Efforts to produce a national agreement were started after reports by the National Economic Development Office more than 10 years ago. Progress has been slow but events in the next few weeks should determine whether the many hours of talking will succeed.

Mr Norman Singleton, independent member of the provisional negotiating committee established by unions and employers, said yesterday that union reaction was likely to determine the fate of the present proposals. "There have been false dawns before. Progress, I know, has been frustratingly slow but I believe we are approaching the crunch."

The national agreement, actively supported by Mr James Prior, Secretary of State for Employment, would seek to remove many potential sources of dispute from local, haphazard bargaining.

In the past, disparities of pay and conditions, both between sites and between

different groups of workers on the same site, have been a major cause of ill-feeling and frustration. It has led to leapfrogging pay settlements, and inter-union disputes, all of which have blighted performance on CEB power station sites.

Mr Singleton fears that the controversy over the Isle of Grain, where work stopped after a long dispute involving only 27 ladders, may have exacerbated feelings. But he remains optimistic that an agreement can be reached and that it will go a long way towards ending the anarchy that has developed on some sites.

The complexity of relations on site, where several contractors may be working at one time, is reflected by those off site, and this has consistently frustrated attempts to reach agreement.

Two employers organizations—the Oil and Chemical Plant Constructors Association and the Engineering Employers Federation—each with different traditions, structures, methods of organizing their workforces and different pay settlement dates, have to be satisfied that their interests are well served.

Seven unions are involved, five of them for skilled workers and two general. Inter-union relations have never been easy and, if anything, have been complicated by the Isle of Grain dispute. This has raised the possibility that the nine-month strike by ladders (members of the General and Municipal Workers Union) could be broken with the support of other unions.

The ladders' action has been condemned by both the electricians' union (EETPU) and the Construction Engineering Union. Any agreement struck between unions and employers must be accepted by the industry's clients, who will have an

important role to play in ensuring that it is adhered to.

In the past clients have not escaped criticism for having bought their way out of trouble and undermining existing agreements. Both public and private clients, who are loosely organized in an informal industry body, have had to be consulted at each step along the tortuous path to an agreement.

Late last year a working party produced a report setting out basic issues such as the composition of a committee to administer an agreement, its scope and various other procedural and disciplinary arrangements. Since then the employers' organizations have taken it back to their members, under the watchful eye of the Government. They made some amendments, it is understood, and the agreed report has been passed on to the clients for comment.

When it comes back, probably in the next few days, it will be put before the unions. Mr Singleton hopes that the "package" on offer will not differ too greatly from the original report produced in union cooperation.

Mr Singleton, and other members of his committee, are not reluctant to speculate on a date for the start of a national agreement. So many target dates have come and gone, with employers, unions and clients locked in seemingly endless negotiations.

Many steep hurdles remain to be overcome. The whole question of pay must be brought within the agreement somehow. And there is still the tricky problem of whether ladders should be included.

John Huxley

NCL links with private carrier

By Michael Bailey
Transport Correspondent

The state-owned National Carriers is moving into a partnership with one of the leading private shipping and forwarding agents, International Express.

National Carriers Limited (NCL), with a £113m turnover, 20,000 customers, 6,000 lorries and 75 United Kingdom depots, will combine with International Express's £25m turnover and 20 worldwide depots in a new International Carriers service which the two partners hope will produce a 10 per cent market growth in the first year alone.

We aim to offer a simple, speedy, door-to-door service at home and overseas which should appeal particularly to the small business which has hitherto hesitated to extend into the export market," Mr Brian Hayward, NCL's managing director and chairman of the new company (in which NCL will have a 51 per cent stake), said yesterday at a press conference in London.

Lever Bros gains 42pc share of UK soap and detergent market

By Derek Harris
Commercial Editor

Lever Brothers, the United Kingdom subsidiary of Unilever, has increased its share of the soap and detergent market to a dominating 42 per cent and is also market leader in the three biggest growth areas of low suds washing powders, fabric conditioners and liquid scourers.

Its after-tax yield on assets is now about 13 per cent on a current cost accounting basis, which is better than the average yield among Unilever companies.

Mr Len Hardy, Lever Brothers' chairman, said yesterday that the typical net margin before tax on products was 53 per cent of sales turnover. Lever Brothers, which in the past has been investigated by the Monopolies and Mergers Commission and by the Price Commission, has seen a reduction in margins in recent years, Mr Hardy said.

The Monopolies Commission investigated the detergents industry because of the domina-

tion of the market by Lever and Procter & Gamble, and the commission was critical of selling costs and the extent of advertising spending. The Price Commission in 1978 delayed some proposed Lever price increases for a year.

The two companies last year took 72 per cent of the soap and detergent market, Lever having increased its market share by 2 per cent over the previous year.

Mr Hardy commented: "Fifteen years ago we were in trouble but we have gone for market share because that is the key to volume, which is the cornerstone of profitability. But it is a fight on research and development and on improving production as well as on selling and advertising. The margins are low and the consumer has benefited."

Lever believes it is vital to have a number of market leaders in its brands portfolios and this it has achieved, particularly in the growth sectors. Lever now claims 62 per cent



Mr Len Hardy: volume the cornerstone of profitability.

of the low suds washing powder market—double the Procter & Gamble share—with 46 per cent of the fabric conditioner market and 54 per cent of the liquid scourer market.

Collapse in orders for US rail wagons

New York, April 29—Another sign of the slump in the American economy: railroads are cancelling orders for new rolling stock. Delivery dates on wagons previously ordered are also being put back because the equipment will not be needed this year.

At least 10,000 wagons have been cancelled since October 1, according to the Association of American Railroads. At the beginning of March there were 110,000 goods wagons on order, 5 per cent fewer than a month earlier, and 14 per cent fewer than last October.

The collapse of orders, industry experts say, is caused by the slowing economy, reflecting in particular the car industry's troubles; the high cost of financing new goods wagons; and an unusual temporary glut of rolling stock. The glut reflects a gradual release of 28,000 almost new wagons on to the market by the Chicago, Rock Island & Pacific Railroad, which is going out of business in the near future.

Mr Richard F. Rossi, of Merrill Lynch, Pierce, Fenner & Smith, says: "The high cost of money and increasing glut of credit availability, combined with declining economic activity, will result in a 50 per cent plus decline in orders in 1980 from the 119,000 in 1979." Deliveries of new wagons this year are expected to drop to under 80,000 from more than 90,000 in 1979.

Some railway companies, such as the Archison, Topeka & Santa Fe Railway, are deferring delivery until 1981 of many of their previously ordered wagons. For the Santa Fe, the deferral involves 820 units, costing \$44m.

Similarly, Southern Pacific Transportation Co is putting off delivery until 1981 of some 700 wagons including 200 units for new car haulage valued at \$35m.

By putting off deliveries, the railways save on financing costs and skirt the penalty clause which would be put into effect by outright cancellations.

Cancellation costs are a well-guarded secret, but customers have to pay for materials that were to be used to make the cars, plus their share of labour, engineering and overhead costs in partly completed orders.

"We are in the downswing in the historically cyclical rail car building industry," says a spokesman for the Pullman Standard division of Pullman Inc, a leading maker of rail-wagon chassis. Since January 1 orders for 900 wagons have been cancelled from Pullman Standard's backlog.

"Several hundred" have also been deferred in delivery to 1981, when the company expects the industry will only deliver a total of 50,000 to 55,000 units compared with under 90,000 in 1979.

LETTERS TO THE EDITOR

Maintaining mineral owners' rights

From Mr L. H. Snelling

Sir, The Mining Association of the United Kingdom has for many years striven for action to make it easier for mineral owners to obtain licences to explore for possible mineral deposits.

As Sir Peter Kent and Sir Kingsley Dunham have pointed out in the letter which you published on April 22, great and often insuperable difficulties exist in the way of mineral rights cannot be found or where putative owners cannot establish their rights.

This association has proposed that in such cases, mineral operators should be able to apply to a Minerals Commission (or other appropriate body) which could grant an exploration licence giving an exclusive right to take a mining lease on standard terms with regard to rent and royalty if the exploration is successful. Those mineral owners who had not been able to prove their rights when an exploration licence was granted would have six years to do so and having done so, would receive from the Minerals Commission the dues that had been paid to it.

This procedure would enable mineral operators to explore in areas where ownership is complex or obscure without depriving the owners of their rights. Yours faithfully,

L. H. SNELLING, Secretary, The Mining Association of the United Kingdom, 40 Holborn Viaduct, London, EC1P 1AJ, April 24.

PO telephone service

From Mr M. P. R. Hamer

Sir, It is sad to see that, in its reply to its critics, the telecommunications feature of April 15, the Post Office has repeated the mistake of the previous week when it responded to the Monopolies Commission report in a somewhat arrogant fashion. In this latest response the Post Office shows its attitudes to be very wide of the mark from the marketing-oriented approach which its senior management have been promising us for the last few months.

Although it is true that the PO allows licensed supply of some items of equipment to the customer, the procedure for achieving this is long and cumbersome. The result often comes too late to benefit the key business users, particularly when an attempt is made to initiate it from a local telephone area level. (More sophisticated users know that they have to go straight to PO headquarters to make any progress.) And in any case, the PO has generally refused to allow the use of products which directly compete with its own, even when there are outrageously long delays in getting hold of the PO items.

This is particularly the case with small PABXs, where delays of at least a year are normal. This has had a crippling effect on many businesses. A similar situation exists with regard to certain key products needed for data communication and this, too, has been very damaging to many businesses, particularly those on whom the future of this country would seem to depend.

The most arrogant part of the PO response was the suggestion that business customers

only cheaper than conventional envelopes 10 per cent, but they are far lighter, save postage.

STEPHEN GIBBS, Chairman, Turner & Newall Limited, 29, Curzon Street, London W1Y 7AE, April 23.

From Mr Laurence W. Robson
Sir, There must be many influential clients who support the closely reasoned arguments contained in Sir Brian Hopkin's article in *The Times* today (April 15).

There can be no question that the high interest rates policy now being pursued by the Government must not only accelerate inflationary forces but at the same time retard industrial investment, thereby preventing attempts to increase employment opportunities.

The French national plan provides arrangements for selective rates of interest on loans to the farming community, and industry, where it can be shown that such loans will increase efficiency, productivity and at the same time generate employment opportunities. The rate on farming loans, I am informed, are as low as 4 per cent and the interest charges on other loans vary from 8 per cent to 12 per cent.

The joint stock banks and financial institutions surely are well able to exercise judgment in implementing such a policy. If interest rates could

be brought down generally to the level of the Swiss, savings in the heavy costs incurred to finance Government borrowing, which is now estimated to be between £9,000m and £10,000m each year, there would also be substantial savings in interest paid on overseas deposits, which for some reason, are described as reserves, whereas in point of fact they are liabilities to overseas depositors.

The absorption of these deposits are largely neutralized within the banking system under a policy of monetary restraint, but the cost of holding these deposits is a very heavy price to pay, particularly at prevailing interest rates obtaining on the money market. Until comparatively recently the banks have been actively charged overseas depositors for funds entrusted to their safe keeping. The strength of sterling in world markets is doubtless in some measure due to the Government's substantial expectation from its oil revenues which are estimated to reach a figure of £15,000m per annum by 1985.

It is fairly reasonable to

assume therefore that the Government, in its position to pursue a policy of lowering interest rates without jeopardizing the strength of the pound. The maintenance of a mean lending rate of 17 per cent must be damaging to employment prospects and at the same time highly inflationary.

The farming industry is particularly hard hit by interest rates on overdrafts of approximately 20 per cent per annum, and its current indebtedness to the joint stock banks amounts to no less than £2,500m. Coupled with the recent 24 per cent wage increase and steadily rising costs for machinery, fertilizers and oil, these combined costs increases will amount to between £15 and £20 per acre.

For the foregoing reasons I submit that an essential and substantial reduction in interest rates is crucial to industrial investment and employment prospects and an essential step in the battle against inflation.

LAWRENCE W. ROBSON, The Flat, 1 Whitehall Place, London, SW1, April 15.

State support for agriculture

From Mr Ardy Thompson
Sir, Mrs Elspeth Forbes-Robertson (April 15) claims that government expenditure in support of agriculture has fallen by £1,540m a year since 1974-75 as a result of EEC membership. In fact her figures, which are from the latest Public Expenditure White Paper, show no such thing. They are for expenditure on "agriculture, fisheries, food and forestry". Of the £1,540m reduction, £1,000m was accounted for by the phasing out of retail food subsidies. These were introduced in 1974 as an anti-inflationary measure and were phased out in the public expenditure cuts of 1976 to 1978. The subsidies had nothing to do with EEC membership, except that the growing burden of EEC import levies on British food prices over that period must have made it politically more difficult to end them.

To get a true comparison, one could compare 1979/80 with 1971/72, which was the first year before our EEC entry and was also before retail food subsidies were introduced. In 1971/72 public

expenditure on the agricultural and allied programmes totalled £845m at 1976 survey prices, which translates to about £1,175m at 1979 survey prices. So the corresponding expenditure of £944m in 1979/80 shows a saving (arguably attributable to the CAP) of only about £230m. Of course it would cost much more than this to maintain United Kingdom farm prices at the inflated CAP levels through deficiency payments to which your correspondent's figure of £1,250m would seem to refer. But the cost would be greatly reduced if prices were brought down nearer to world market levels. While cereal growers' returns would be adversely affected, those of livestock farmers need not necessarily be so since their feed costs would be reduced.

In any event, the true cost of agricultural support, if we were outside the EEC, should not be compared with the present £1,000m annual loss on foreign exchange and, moreover, takes no account of the extra cost to the balance of payments of importing continental food, which could be

bought much more cheaply from elsewhere.

It is of course absurd for Mrs Forbes-Robertson to describe EEC import levies as a subsidy to Commonwealth countries like New Zealand. The prices we pay to them, net of levies, approximate to free market prices available between willing buyers and sellers anywhere in the world, while the levies increase these to the wholly artificial CAP levels.

Finally, your correspondent is wrong in her assumption that we could reduce our VAT contribution to the EEC budget by cutting VAT. This contribution (presently set at about 0.8 per cent) is subject to a maximum of 1 per cent by treaty) is assessed on a national base of value added which is quite independent of the various VAT systems in force in different member states. The United Kingdom's share of it represents about 10 per cent of the current yield of VAT in this country, and this percentage would rise automatically if our VAT were reduced.

ARDY THOMPSON, 76 Vassall Road, London SW9.

Interest rates and sterling

From Mr Tim Congdon

Sir, In your editorial (April 23) you recommend that the Government reduce domestic credit expansion so that it can cope with upward pressure on the exchange rate without putting its money supply targets at risk.

The thought here seems to be that the lower is domestic credit expansion, the higher is the permissible foreign exchange intervention to hold the pound steady while it remains within a given money supply target.

In an arithmetical sense this is correct, although difficult to reconcile with your observations three paragraphs earlier that intervention in the pound market would only deal with very short term pressures and "risks generating yet more liquidity which will further fuel international inflation".

In a casual sense, however, it is a total confusion. Any policy to reduce domestic credit expansion is also a policy to reduce the rate of money supply growth, and the fewer pounds there are, the higher will be their price in terms of other currencies. It follows that the more rigorously domestic credit expansion is restricted, the higher will be the exchange rate. Intervention may mitigate exchange rate appreciation, but it will be ineffective in terms of pounds (ie the money supply) in existence.

If domestic credit expansion is to be reduced, an increase in interest rates is one of the Bank of England's principal weapons. Today the theme of monetary policy in 1979 was the need to make borrowing more expensive, and curb credit growth to companies and individuals.

The result was that interest rates in Britain became attractive compared to those elsewhere and were largely responsible for the revaluation of sterling. But it would have been untenable for the Bank to have set interest rates, which simultaneously restricted domestic credit expansion and depressed the exchange rate.

It might be desirable, and beneficial if, as your leader suggests, "the level of interest rates required on domestic deposits" could be the same as "those required for foreign exchange grounds". The only drawback to this proposed combination is that it is quite impractical.

If *The Times* wants to lower the exchange rate, there is a simple way out of the logical tangle.

Public spending and the Budget deficit should be increased and money supply growth accelerated. Better still, the Chancellor of the Exchequer should state these objectives frankly and in public.

The announcement of these policies would cause the pound to drop precipitously, perhaps by 10 per cent in a day. Does *The Times* really favour such policies or that outcome?

TIM CONGDON, L. Messel & Company, Winchester House, 100 Old Broad Street, London, EC2.

1980

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BY THE FINANCIAL EDITOR

The rescue of First Penn

American banks have been badly hurt by high interest rates. The \$500m rescue operation for First Pennsylvania arranged by the Federal Deposit Insurance Corporation—the statutory body for the protection of depositors—and a group of 22 commercial banks led by Citibank, show the potential seriousness of the situation. The rescue will avert the inevitable panic on money markets that would have followed a major failure.

The authorities in fact acted because of worries about similar problems with other financial institutions and presumably with the sort of problems which have arisen in the silver market recently very much in line. First Penn is no toddler, and it would have been a major casualty.

It is the country's 23rd largest bank with a balance sheet total of some \$8,500m and shareholders' funds in the last balance sheet of \$350m. It operates some 69 banking branches some involved in banking and others involved in such financial fields such as consumer finance, leasing and mortgages. Problems point to the wider implications for the whole system.

Most banks and finance institutions have fared from high interest rates because they guessed wrongly how rates would go. It is not altogether surprising when even many Kaufmann, the guru of the American market, did not expect prime rates to move above 16 to 17 per cent.

As with other institutions First Penn made a mistake of lending too long and borrowing too short. In other words it mismatched assets and liabilities, the kind of thing Bank of England's paper on liquidity is trying to avoid for example. In addition it took on too much bad business and mutually ran into a cash crisis.

One can tell at this stage how wide the gap is. It is clear from first results that many other banks got interest rates calculations wrong. Even Bank reported earnings down by a third, up to recently American banks did need to face high rates and high inflation and have yet to adjust to this. The stumbling block has been the westerly state laws which prevent market forces operating fully on banking because of regulatory and other laws.

Last month Congress passed, overriding state laws, allowing for higher rates and it abolished the regulation Q which limited interest paid to depositors. More and more the United States system is beginning to resemble our own.

Last week, when I wrote about a gold bond, I suggested it was a pity there was no oil backed bond. Internex, Mexican International Bank, now in the news, has been issuing such bonds for the past three years and the issue is to be redeemed this week at 100 per cent.

The idea is spreading. Semirara Coal Corporation, based in the Philippines plans a similar issue of 16 per cent convertible preference shares which after four years be converted into... 33 tons of coal.

TAC

rough the top

The space of a year Tarmac's new top management team seems to have closed a liability gap which at one stage looked tearing the group apart at the seams. Offits up 43 per cent at £38m are fully above best market expectations, the new sheet looks strong enough to withstand rights issue rumours, and the switch of Mr Edwin Wright from "interim" to permanent chairman seems to underline the fact that management turmoil is now a thing of the past.

The prime beneficiary of new tighter financial controls has been building profits where a 7 per cent sales improvement has been turned into profits more than doubled at £10m, helped by a good year on refinery side and loss elimination in ice.

At the same time quarry products lifted volume marginally and profits 5 per cent to £22m in fairly difficult conditions, while the international division seen a £2m swing into the black for 13 of £1.3m. Here withdrawal from India underlines the speed with which

Tarmac has moved to reverse the policy which took the group almost disastrously into overseas markets at the tail-end of the construction boom.

The policy now is to stick to cautious development and hold overseas exposure to under 10 per cent of the total.

There are still problems: construction profits dived from £3.5m to £1m, mainly as a result of public sector housing losses an area from which Tarmac has now withdrawn after joining McAlpine in slating dilatory authorities over payment.

The group is however surprisingly relaxed about private housing after a year in which profits rose 55 per cent to £9.7m despite a sticky third quarter. With a two-year land bank the group plans to put on volume this year and hopes that the mortgage picture will brighten.

Given the generally dull outlook, a fully-taxed p/c of 7.3 and yield of 8.2 per cent looks about right, especially as the shares up 12p to 240p yesterday have already had a good run.

But Tarmac may not have to tighten the screws much to lift profits more than 10 per cent this year and a balance sheet showing debts of £35m representing only 28 per cent of shareholders funds could justify further support given the right market mood.

Unigate (Clifford's) Spending its cash

By adding the rider that it will only go ahead with its £11.3m bid if Clifford's Dairies drops its plans for a rights issue, Unigate seems to be offering this fiercely independent family-controlled group a ready-made line of defence. Certainly Clifford's lost no time yesterday in making it perfectly clear that it had no intention of abandoning its rights plans and did not welcome Unigate as a saviour. And there the matter rests until next week's extraordinary general meeting to approve the increase in the authorized share capital.

As one of that rapidly dwindling band of companies with a non-voting share structure, Clifford's is a tough nut to crack. With the directors speaking for around 24 per cent of the voters and able to count on the support of family and friends controlling perhaps a further 35 per cent, Unigate will have to play heavily on the Clifford's board's responsibilities to the other 2,000 or so non-voting shareholders.

No doubt the terms of the offer have been pitched in this light with a 40 per cent premium on the overnight price and around a fifth better than net asset value although an exit p/e ratio of 10 fully-taxed is less generous in the light of its good profits record. And Unigate is arguing strongly that the recent rights announcement points to difficulties in financing the development of the business, though again the latest balance sheet shows no particular gearing difficulties.

For Unigate the bid is small beer, though it will improve its geographical spread in liquid milk and there should be some distribution economies for dairy products. What the City, however, is really looking for is more tangible signs that Unigate will invest wisely the £87m it raised from the sale of its creameries to the Milk Marketing Board.

● March and McLennan has finally managed to get its bid terms before shareholders four-and-a-half months after the initial approach. Foreign exchange and Wall Street gyrations may yet cause some headaches for the Americans but at current rates the bid value is 167p a share and looks assured of success.

Given that Bowring shareholders will also keep a 4.53p net dividend the group's share price of 153p could provide a little scope for professional dealers. However, the London market is not yet completely convinced that the terms will not be weakened by a further fall in the March share price.

Marsh has reiterated its intention to sell off Singer & Friedlander, probably in a deal involving the present management, if as seems certain its accepting house status is threatened. But it has promised that having off moves will stop at Singer. All that is left is for Marsh to secure a London quote and the Americans will have truly arrived. And Lloyd's and the London insurance market will never be quite the same again.

The squabble between Sir Hugh Fraser, chairman of the House of Fraser, and Lorrho Chief Executive Mr Rowland "Tiny" Rowland is essentially a family affair—but with millions of pounds and the hallowed name of Harrods hanging in the balance.

When Sir Hugh rises at the House of Fraser yearly meeting on June 19 next, shareholders to confirm his recommended final dividend of 4p net, he will in effect be standing up for the right to run his own company, a company his father built, his mother wants to keep and which he, for one reason or another, has let slip through his fingers.

The House of Fraser chairman will come face to face with an adversary clutching nearly a third of Fraser share certificates who has already tabled a resolution to increase the Fraser dividend from 4p to 5p and who has made it very clear that he intends at some stage to take control of Sir Hugh's empire.

Sir Hugh is not regarded in the City as a man of single-minded determination. That part of his character, it is said, was ably demonstrated at the London annual meeting in March when he was expected to side with Kuwait shareholders against the Lorrho board in a dispute over authorized share capital. At almost the last minute he disclosed that the proxy votes he held would go with Mr Rowland and the board.

But behind him at his own meeting will be the memory of his strong-minded father and a stout-hearted mother who, without one single public announcement, may well lament the day Sir Hugh sold a slice of the family investment vehicle, Scottish and Universal Investment Trust to Mr Rowland enabling him to gain a foothold for the successful bid for SUTS which he launched last year.

A hint of his mother's influence came earlier this year when Sir Hugh fought for the first time that he did not want Lorrho to gain control of what

is effectively the last remains of the family empire.

He said yesterday: "I don't want Mr Rowland to bid for the House of Fraser".

Anticipating that this could be the moment for Mr Rowland to launch the bid, Sir Hugh now plans a property revaluation in an attempt to make his stores group too expensive for the highly-borrowed Lorrho.

Sir Hugh has also threatened to sell his 3.5 million Lorrho shares which he says "would do some nasty things to the Lorrho share price." The share price of the international trad-

Philip Robinson

Why Mr Rowland and Sir Hugh fell out



Sir Hugh Fraser (right): fighting for his birthright with Mr Rowland.

ing giant has always been a sensitive point with Mr Rowland, who yearns for City acceptance and with it the support of the major institutional investors.

The Fraser threat apparently touched a nerve. Mr Rowland returned on Monday: "That was an irresponsible statement. Sir Hugh Fraser is a charming man but a professional loser".

Sir Hugh said yesterday: "The Lorrho shares are the worst investment I have made". Mr Rowland also made it known on Monday that he and Sir Hugh had decided on a House of Fraser net final divi-

dend of 7.35p six weeks ago. Sir Hugh said last night: "We did have a discussion on the dividend and I said that it had to be twice covered. At 4p we are more than twice covered. At 7.35p we are not".

Both men are at pains to point out that the argument over the dividend is not a clash between personalities, but their words might seem to suggest otherwise.

Sir Hugh said yesterday: "Mr Rowland seems to forget that the House of Fraser is run by a board of directors and not by one man, which seems to be the case at Lorrho".

As an outflanking move, Sir

Hugh is believed to be canvassing the institutional shareholders in an attempt to out-vote Mr Rowland's 29.5 per cent stake. If he succeeds this could well be interpreted as a sign of confidence in the present board and give Mr Rowland an indication that any formal takeover bid would have difficulty in gaining acceptance.

Sir Hugh decided to comment yesterday. Sir Hugh has guided the Scottish-based group from £19m to £40.7m profits in four years, although last year pre-tax earnings dipped to £37m. Mr Rowland knows how to earn profits, too. In the past five years he has taken Lorrho's profits from £63m to over £94m.

The two are very different men. Mr Rowland built his empire from virtually nothing. He is married, with a family, and still manages in his early 60s to retain details of the most complicated deals in his head.

Sir Hugh's fortune came from an inheritance. The empire which ranged from SUTS and Fraser stores to newspapers and whisky was handed down from his father the late Lord Fraser of Allander when Sir Hugh was 30 in 1966. Ever since then he has regularly been in the headlines.

One of his chief pastimes was gambling. It was losses on his favourite sports that led to a series of controversial share deals which brought him further notoriety as a playboy businessman and severe criticism from the City authorities.

In 1978 Sir Hugh and three of his business associates were fined a total of £385 at Glasgow Sheriff's Court for offences under the Companies Act. In November of that year Sir Hugh dropped appeals against the convictions, which arose from a £4m "accounting error" in the group's 1975 accounts.

In his ways as a high roller, Sir Hugh was described by friends as one of the last great British gamblers. His game was roulette, and his lucky number was 32. In percentage terms, his lucky number will have to be at least 51 if he is to continue to rule the House of Fraser.

Lessons from Three Mile Island

The disaster at the nuclear plant at Three-Mile Island is likely to cost \$500m to put right. But no member of the public nor of the operating staff was killed, nor were they subjected to radiation in excess of statutory limits. It has been called a miracle that the disaster was contained in this way.

In fact, in spite of a series of malfunctions of equipment and operator errors, it was through a concept of defence in depth, and not a miracle, that the disaster was avoided. This approach to safety was inherent in the design of the plant, which embodied a series of overlapping safety operations that functioned one after the other coming into action as needed.

In one chemical plant overseas a high temperature alarm went unnoticed. An extra trip device was poorly sited and this, too, did not trigger off the necessary operator action. Eventually an explosion blew out one of the retaining walls: but fortunately it was a "soft" wall, specially designed to be the first to go, which directed the blast away from the plant to a wasteland area kept as a "cordon sanitaire" to avoid casualties.

The cause of the overheating was discovered to be failure of the agitator in the chemical reactor and, from then on, apart from re-siting the temperature signals in a more obvious position, a "loss of agitation" detector was fitted. The detector was air-operated and designed to go into action if the pneumatic system failed.

There are lessons in these examples for industry at large, for such an approach to safety planning should be applied in many industrial plants. An information and advisory service on safety is provided by the UKAEA Safety and Reliability Directorate, through its industry-wide international

Safety and Reliability Service (SRS).

Mr John Bourne, manager of the Reliability Technology Research Unit explains that the approach to reliability of plant operation is becoming more and more scientific and sophisticated.

He says it is possible to identify the areas of a plant or a system that present the greatest risk, and then to calculate mathematically the possible incidence of breakdown or failure. It is then possible to define the cost of bringing the risk down to a level that is regarded as acceptable.

In recent studies that the SRS has carried out on individual plants and systems for outside clients, it has sometimes found that some areas of risk are left too vulnerable, while others are over-protected, and the investment is wasted.

Basically, Mr Bourne points out, "it is a question of redundancy or diversity of precautions. Two sets of braces for your trousers could be called redundancy, as they might both suffer from identical design faults that could cause simultaneous failure under the same circumstances. Belts and braces would be diversity of protection, one support coming into effect if the other failed."

Several monitoring systems for, say, temperature, pressure and volume are not much protection if they all depend upon a common source of power. There was one notorious example where all the mains supply cables for a plant had to cross a nearby canal and were under the mercy of the thoughtless captain who forgot to lower his ship's mast. In another industrial plant, all protection was lost when a fork lift truck, driven at speed, lowered his load when passing beneath a very vulnerable bunch of cables slung across an archway.

For several years now, the

SRS has collected a mass of data on the reliability of every conceivable type of plant component, sub-assembly and control system, so that the chances of failure, and of a sequence of failures, can be quantitatively calculated. Also collated are cases of disaster, and damage, so that installations can be compared with those that went wrong in similar circumstances.

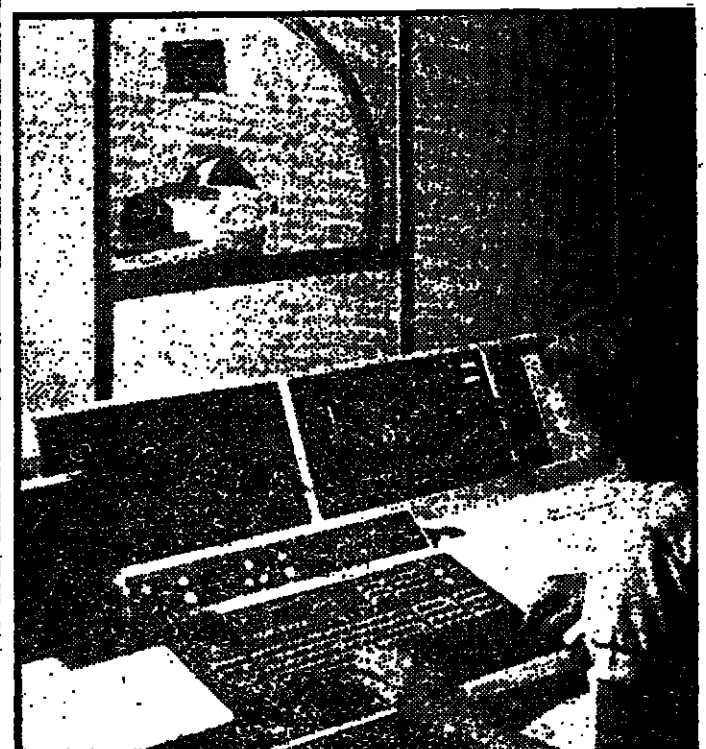
"Sometimes," says the SRS team, "a company imagines it has a fail-safe precaution but we have found fallacies in the logic behind it too numerous to mention in detail. A common mistake is to ignore the manufacturer's own specification of error or delay in the action of a component, so that, with a whole series of components, the total capability of the system has a cumulative error that makes it very likely that the plant cannot be shut down as speedily as a crisis situation demands."

Additional safety precautions may not in fact improve the overall reliability of the plant. At one plant, where interruption of the cooling water flow would cause immense financial losses, two sets of precautions had been taken. There were stand-by pumps, but they were of identical design and manufacture to the main pumps—so that they could conceivably all be subject to simultaneous failure.

For extra security, the board of directors had insisted on having a gravity feed water tower constructed. The SRS engineers pointed out that if the pumps failed, for any one of various reasons (including shortage of fuel), the water tower could only provide water for a very limited time—insufficient time in which to get the pumps working again. So the tower made hardly any difference to the risk calculations, and represented money down the drain.

Sydney Paulden

EMI scanner: invention that proved too expensive



EMI's 7020 body scanner: marketing success led to production problems.

Thorn-EMI's decision to withdraw from the medical electronics business underlines yet again the bitter lesson that a world lead in new technology can be very expensive. There is no natural law that says a genuine breakthrough in technology will automatically result in profitable business—quite the reverse, many would argue.

But the Thorn-EMI decision is not just a simple example of the oft-quoted British propensity to couple brilliant invention with poor marketing. The inventive brilliance was there, sure

enough, in the original and developed versions of the brain and body scanners devised by Mr Geoffrey Hounsfield.

In attacking the North American market, the prime market for such systems, EMI could be faulted for going it alone instead of linking with an established American company. But the marketing of its later systems was in a sense too successful—the failure was a failure to produce in time the numbers of scanners that had been ordered.

Kenneth Owen

Business Diary: Fortune and men's ayes • Cheques and balances

departure of Robert Abbot from the chairman of First National Bank of Chicago is only the latest of the exodus that began with the arrival of Abbott himself as top job five years ago.

The Ten Toughest Bosses appeared in an article in the American business magazine *Fortune* only last week. The piece was known as "Idiot" and was so tough on Abbott that he quit his chairmanship.

Chicago's United Bank, the United Bank's biggest bank, only that "management voices" lay behind Abbott's going. My hunch is that differences would be with Vice-chairman, Harvey A. senior partner of

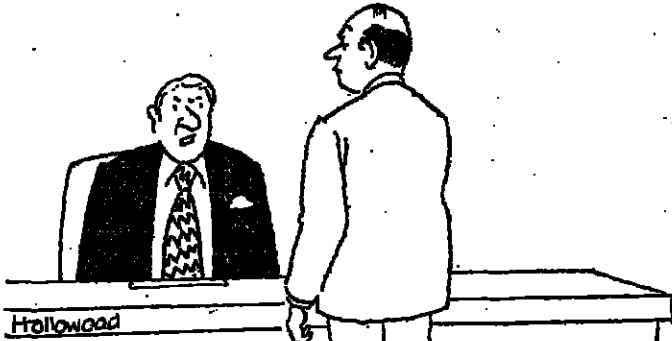
Chicago's Robert Abbot: "Idiot".

who joined First Chicago only last September.

By this time the bank was preparing to publish results that showed profits down £18m up by a quarter to \$30,000m. Abbott, who joined the bank in 1975, after a long career at the marines over 20 years ago, "likes to make decisions solo" according to *Fortune*, and that is unlikely to please an Andersen man. Abbott is staying on until a successor is found. The bank is looking at both insiders and outsiders for the job, as well they might, for again to quote *Fortune* on First Chicago "when a company gets a reputation for high turnover it becomes doubly hard to attract capable replacement."

Could it be as the magazine noted, that a "tough boss can attract and keep quality managers only as long as his methods keep making them winners?"

If nothing else, President Carter's fiasco in Iran has helped along the entry into films of Guinness the brewers. Part of the ill-fated rescue operation was launched from the USS *Nimitz*, a nuclear aircraft carrier which has a five-acre flight deck and can stay at sea for 13 years without refuelling. The *Nimitz* is also the setting for a film. The Final Countdown, which Guinness helped to finance through a production company it acquired in Los Angeles last year. The film which stars Kirk Douglas, opens in London on May 22.



"I wish you'd remember, Horsfall, that we are members of the EEC and no longer call foreigners what you've just called them."

● The Red Brigades are not the only people worrying the Italian banks. Private depositors have long had to put up with a shortage of cash at the banks only to find now that the banks have been paying too little interest on depositors' accounts.

According to an inter-bank agreement in Italy banks are normally bound to pay an interest of 4.25 per cent on balances of less than 3 million lire and higher rates on bigger balances. But the Italian central bank, Banca d'Italia, has discovered that these rates are rarely respected in practice. Many customers have been receiving interest rates of half a per cent.

The CDC, led by Giuseppe

Chidini, a professor of law at Modena University, is fighting back. It is urging small savers to form themselves into account-sharing clubs.

The groups shop around among the banks for the best interest rate available and then open a single account with a series of pass-books, one for each member.

The investors thus all benefit from the higher rate of interest paid.

Dustin Hoffman may have won Oscar for Kramer vs Kramer, but that cuts no ice with our National Theatre. He turned up too late to collect his ticket for David Storey's *Early Days* the other night and had to stand.

● One company so far unaffected by the storm surrounding international trade with Iran is the world's biggest meat exporter, Thomas Borthwick.

While most companies are concerned themselves over lost contracts Dr Bill Bullen, Borthwick's chairman, can afford a very smile in his Smithfield office.

His company is handling the management contract for shipping 62,000 tonnes of New Zealand lamb to the multinational trading company. The contract was negotiated last year and represents about 18 per cent of New Zealand's total lamb output, all of which used to come to England.

Dr Bullen says: "We are totally unaffected by the Iranian situation at the moment. We negotiated the contract last year, and were very privileged to be asked to manage the shipments of what is mainly New Zealand meat."

Although no figures have been mentioned, the contribution to Borthwick profits is not great, but the meat group value the prestige attached to the deal. Why doesn't Borthwick try some of its charm on the French?

● William Harris, formerly chief executive and now deputy chairman of the Phoenix Group, this week presided over the first lively dinner of the Worshipful Company of Insurers, newest of the City's lively companies.

It comes 92nd in the line of

lively companies, which is headed by the Mercers. The Grant of Livery was received last September and early recruits included such leading figures as Sir Francis Sandilands and former Lloyd's chairman Sir Havelock Ellis.

The Chartered Surveyors, Chartered Accountants, Chartered Secretaries and the Company of Actuaries have also recently formed lively companies and have thus joined those who can appoint the Lord Mayor and Sheriffs of London.

The Company of Insurers, whose colours are pale blue and gold, has just managed to have its arms included on the new wall chart of The Guilds and Livery Companies of the City of London published by Heraldic Heritage this week.

Reckitt & Colman has come up with a new twist on the shareholders' perks front. The household goods group is so keen for shareholders to come to the annual meeting in London that it is tempting them with a 30 per cent reduction on their British Rail fare (first or second class). Those who come will also be fortified with a glass of wine—surely a case of leading the horse to water and getting it to drink.

Ross Davies

LAMBERT HOWARTH

REASONABLY SATISFACTORY RESULTS

Results for year ended 31st December	1979	1978
Turnover	£900	£900
Profit before Taxation	15,021	14,110
Profit after Taxation	734	645
Net Assets employed	4,196	3,615
Issued Capital	600	600
Per 20p Ordinary Share: Earnings	12.6p	10.6p
Dividends	4.06p	3.50p

Extracts from the Statement by Mr. C. L. Howarth, Chairman

Production levels and profit margins continue to be restricted, on the one hand by an influx of low priced footwear of foreign manufacture, and on the other by increasing production costs resulting from constantly rising raw material costs. In the face of these problems we feel our results can be considered reasonably satisfactory.

The Future

Orders are coming in reasonably well and whilst it is too early to make any accurate forecast we have every expectation of being able to reach a production level at least equal to that achieved during 1979. Foreign competition is still a cause for concern and we are hoping that Government action may eventually help us in this respect.

The Group is a substantial supplier of footwear to Marks & Spencer Limited and also to leading wholesale and multiple chains throughout the country and prominent mail order groups. Part of its production is sold through wholesalers under the registered trade mark "Osbornia" and a significant portion of slipper production carries the "Gannex" brand for which the Group has sole distribution rights.

LAMBERT HOWARTH GROUP LIMITED
BURNLEY & ROSSEDALE, LANCASHIRE—ISLE OF MAN

De Beers has maintained its position as leader of the diamond industry but it is today much more than a diamond mining company

Extracts from Mr H F Oppenheimer's statement

The year 1979 was in some respects a difficult one for the diamond trade and the Company's results were, in the circumstances, very satisfactory. The Group's net attributable profit at R742 million was virtually the same as in 1978. The composition of the profit was, however, markedly different in that the diamond account, at R631 million showed a reduction of R125 million as compared with 1978, whereas interest and dividend revenue at R312 million as compared with R234 million showed an increase of R78 million and tax and lease payments to the State at R355 million were R50 million lower partly as a result of higher capital expenditure. The reduction in the diamond account is due partly to higher working costs and partly to the fact that there were less sales by The Diamond Corporation from old stocks held at low prices. In the main the increased revenue from investments reflects higher dividends from our major shareholdings in Anglo American Corporation and AECI as well as larger dividends from our trade investment in De Beers Botswana Mining Company. In these circumstances and in spite of difficult trading conditions a good start has been made in 1980 and deferred dividends were raised from 65 cents to 72.5 cents per share. Net current assets at 31st December 1979 after providing for the dividend amounted to R'8' million.

The book value of the Group's investments and long-term loans increased during the year by R221 million to R'84 million. The value of these investments and loans, was R'34 million as compared with R1,973 million last year. After deducting those foreign loans that have been used for investment purposes and allowing for minority interests the total value of net investments, loan levy at R121 million and net current assets attributable to De Beers at 31st December was R3,011 million or 837 cents per deferred share as compared with 539 cents the previous year.

Market conditions

Throughout 1979 the demand for diamonds of one carat in weight and upwards remained strong and this has continued in 1980. Two price increases for large diamonds were readily absorbed by the market. The demand for the small sizes of diamonds however has been and remains weak. At the beginning of this year some improvement in market demand overall made itself felt but the rise in interest rates to unprecedented levels is likely to create increasing financing problems in the cutting centres where the holding of stocks has become extremely expensive and, as a result, the position has become more uncertain. Market conditions for the rest of the year will obviously depend to a large extent on developments in the American economy and we expect the weakness in the demand for small sizes to continue. In spite of these difficulties sales by CSO have so far been higher than last year and it looks as though the current level of sales is likely to be maintained for the rest of the year.

The market for industrial diamonds remained firm throughout the year. However a reduction in the supply of natural industrial diamonds has forced a substantial swing away from natural to synthetic diamond in this field. Our industrial division was able to adapt itself successfully to these conditions and major expansion programmes are underway at the Group's synthetic diamond factories. The industrial diamond market continues to expand and we are well placed, both technically and commercially, to take advantage of this situation.

Diamond production by the Group amounted to 13,985,000 carats as compared with 11,995,000 carats in 1978. Of the increase of 1,990,000 carats, the Orapa mine in Botswana accounted for 1,637,000 carats and there was a substantial increase of 475,000 carats from Namaqualand. The CDM production, at 1,653,000 carats was down by 240,000 carats and further reductions in the

output from this source must be expected over the years ahead. It is important, both for the diamond industry and for the emerging state of Namibia which last year received by way of tax and loan levy 64 per cent of CDM's mining profits, that the life of this property should be extended for as long a period as is economically possible and to this end a major prospecting campaign is in progress both within and to the north of the company's present mining area and in the offshore concessions of the Marine Diamond Corporation which are at present leased to CDM. CDM remains a very important contributor to the profits of the De Beers Group, though the proportion of total profits derived from South West Africa/Namibia, amounting in 1979 to 18 per cent, is less than it used to be in the past.

Expansion programme

The expansion programme at the Finsch mine is nearing completion. The new plant will be in operation in the middle of the year and production is scheduled to rise from the present level of slightly in excess of 2.5 million carats to approximately 4.5 million carats per annum. Excellent progress is being made in the development of the Jwaneng mine in southern Botswana. This is an exceptionally important project which is estimated to cost Pula 280 million to complete. The mine is planned to come into production in 1982 at a treatment rate of 4.8 million tons per annum. Revenue from diamonds is already a very important element in the national income of Botswana and will become very much more

important when Jwaneng reaches full production. It is not too much to say that the interest of the government of Botswana in the stability and prosperity of the diamond industry is virtually as great as that of the De Beers Company itself and I am glad to be able to report that the relationship between the Government and the Company is smooth and co-operative.

We have over a number of years been pursuing a policy in regard to employment practices designed to eliminate all traces of racial discrimination in the affairs of the Company. The annual wage award made to mine employees in June of last year finally established a fully integrated wage scale for all employees, irrespective of race, in the Group mines in South Africa and South West Africa/Namibia, and earnings of unskilled mine employees are in excess of the supplementary living level established by the University of South Africa. In Botswana and Lesotho mine wages are negotiated and fixed in consultation with the governments of those countries.

Other investments

A feature of the accounts is the massive investments of De Beers in companies outside the diamond industry, and the important income which we derived from these diversified sources. During the year the book value of listed investments increased by R202 million which is largely accounted for by the acquisition of an additional 5 per cent in the capital of Anglo American Corporation, and an increase in our interest in Minerals and Resources Corporation (Minorco). Anglo American published excellent interim results and substantially increased its interim dividend. There is every reason to expect that its final accounts for the year will prove equally satisfactory. The interests of Minorco are for much the greater part outside South Africa, especially in North America and our investment in this growing company provides a desirable measure of diversification in our holdings. Minorco has interesting prospects before it which will be actively pursued. By

the year end we had acquired an interest of just under 5 per cent in Consolidated Gold Fields Limited and after the year end we increased this interest to approximately 25 per cent and sold half of the total to Anglo American. Consolidated Gold Fields which is based in Britain is a widely diversified and efficiently managed company with important interests in Britain, South Africa, the United States and Australia. This large investment in Consolidated Gold Fields will further strengthen and diversify our portfolio.

While the outlook for the diamond industry is not without its problems, it is on the whole satisfactory and this, taken together with our growing diversified holdings in other businesses, gives good reason to expect satisfactory results for the present year. De Beers has successfully maintained its position as leader of the diamond industry but it is today very much more than a diamond mining company. It has therefore achieved a greater solidity than ever in the past.

THE CENTRAL SELLING ORGANISATION and the diamond industry

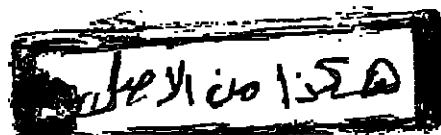
Most of the world's rough diamonds pass through the London offices of the Central Selling Organisation (CSO). A group of specialist diamond marketing companies associated with De Beers, the CSO is effectively a producers' co-operative.

Substantial financial resources coupled with technical and administrative expertise enable the CSO to provide the best outlet for producers' diamonds, whatever the state of demand. These diamonds, which include De Beers' production, are sold by the CSO at a rate the highest in the world.

On arrival in London the rough diamonds are sorted and valued into some 3,000 different classifications by size, shape, colour and quality. Over 400 specialist sorting staff are assisted by computer-linked machines developed by the CSO, although the more intricate preparations necessitate individual hand-sorting.

Industrial diamonds are sold separately, while the rough gems are offered for sale ten times a year at "sales". Before each sale the clients—both the cutting centres—submit their requirements which are matched by the CSO as far as possible. It has long been recognised that fluctuating economic conditions are the cause of the cyclical movement in demand for rough diamonds, thus the CSO's matching of supply with demand helps to ensure market stability. Rough diamonds for which there is temporarily no call are held in stock.

On reaching the cutting centres the diamonds undergo the highly skilled techniques of cutting and polishing before being sold to wholesalers and jewellery manufacturers and finally arrive at the retail jeweller. De Beers maintains international promotional activities for diamond jewellery.



De Beers

De Beers Consolidated Mines Limited

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Incorporated in the Republic of South Africa

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FINANCIAL NEWS

Stock markets

Takeover bids help to enliven equities

The new account continued to be dominated by the oil and gas sectors, but yesterday's trading was livened up by a crop of takeover bids and the reaction to Iranian claims that American planes had fired on their fighters.

After fluctuating around £10m or the past few years, profits in the two months from Renault—the gears and transmission group—are expected to fall to between £6m to £7m before tax for the year to March. Launching at 68p, the shares are at a scarcely credible 21.8p or cent assuming the final is old. According to one analyst, "it would probably pay it, even so, given the ever dull response of most analysts are commending sales."

The market opened firm with investors paying particular attention to British Government stocks where falling American interest rates and the strength of the pound lead to advances in the morning. These gains were held throughout the day, though no further advances were made. Even the Iranian-American oil skirmish failed to dampen enthusiasm at lunch, although trading was light, and it closed at the same level £1 better on the day. Shorts also saw £1 gains though by the afternoon the gains were closing slightly off a top.

Mining shares dipped once again, with a \$12 fall in the price to \$513.5 in the

afternoon, and a small rise in New York when the markets opened, failed to boost the London shares.

At the close the FT index was slightly off its top lunch-time level at 4367.45 up on the day. For the second day running blue chip stocks were forced to follow a lead set by the oil and gas sectors. The ICI received attention because of its North Sea interests, but finished unchanged at 362p, as did Glaxo at 188p. Beecham at 118p and Courtauld at 66p were also unchanged, but BAT Industries, with results due today, attracted interest and gained 5p to 231p. Pilkington closed at 203p and Unilever dipped by the same to 416p. Fisons gained 5p to 284p.

George Ewer, the Greven coaches people, returned from suspension 2½p down at 47p, after paying £1.24m for privately-owned Eastern Trac-

tors Holdings. Fine Arts Developments made a 14m bid for Wilson Brothers and lost 4p to 55p while Wilson jumped 12p to 34p. During the day Clifford's Dairies forged ahead by 28p to 120p, with the "A" shares showing a 2½p improvement at 101p while its directors said that the Unigate takeover approach was unwelcome. Unigate eased 1p to 113p.

A 46 per cent growth in profits gave Tarmac a 12p spurt to 240p, but Alpine Holdings slipped 8p to 93p on the warning about current trading. Disappointing profits also left Petrochem 9p down at 18p. In timber, bid favourite Mollinson-Denny fell back by 2p to 69p while Montague L. Meyer gained the same amount to 103p. Owen Owen continued to rise steadily, going from 125p to 133p while Elys of Wimbledon, in which it has a near 30 per cent stake, finished 17p up at 157p.

The ever-bubbling oil sector saw large rises after Carless Capel announced that it had found hydrocarbon indications in Hampshire. The share price rose 14p to 117p. International Thomson gained 36p to 410p and stories about the United States West Coast find pushed up Premier 3½p to 79½p. IC Gas also rose 30p to 79½p, while Charterhall gained 4p to 70p. KCA International moved up by the same amount to 71p, but its offshore Berkeley Exploration dropped back 1p to 135p.

Gains among the major stocks were less pronounced, with BP adding 2p to 332p, Shell 4p to 346p while Barmah was unchanged at 198p. Ultramar rose 12p to 628p and Lasso put on 5p to 568p.

In stores, Boots went up 4p to 187p while results due soon, while House of Fraser moved 2p to 133p as more speculative support came in for the group

barling over its dividend payments.

Gold shares showed losses of around 50p a day which reflected the easier bullion price on the other side of the Atlantic. Although there was some Cape and continental buying in the morning, and prices closed at the top, the dealers were able to make little of the threats between Iran and the United States. Anglo-American Gold dipped £1 to £341 1/16 while Randfontein fell 11/16 to £27 11/16. St Helena was £1 down at £141, while Vaul Reef finished at £231 5/8. 7/16 down. RTZ gained 2p to 370p and De Beers deferred dipped 8p to 375p.

MFI Furniture's share price continued on its downward descent by dropping 1p to 55p yesterday, as a large line of 200,000 shares went through the market. But the seller may have jumped the gun as last week's revised profits forecast of around £16.6m for the year by chairman, Mr Arthur Snathorn, may now prove to be ultra-conservative as margins improve. A likely outcome could be in the region of £17m.

Equity turnover for April 29 was £73.28m (number of bargains 11,821). The most active stocks according to Exchange Telegraph were Carless Capel, Ocean Transport, Premier, IC Gas, BP, Shell, Tricentral, P and O, Bat Industries, BTR, Blue Circle Industries, Bass, National Westminster, Charterhall, and ICI.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
£m	£m	£m	per share	pence	date	total
Alpine Hldgs (F)	33.17(25.1)	2.76(1.92)	11.79(8.43)	2.98(1.42)	4/7	5.26(2.76)
Belmont Int (I)	—	0.75(0.69)	12.1(10.9)	—	—	—
Border & S Stock (I)	—	—	—	0.8(0.7)	—	—
Bunzl Pulp (F)	230.0(206.0)	13.7(12.8)	29.3(26.2)	2.74(2.29)	1/7	6.57(5.48)
English Nat Inst (F)	—	0.25(0.22)	2.28(2.10)	—	—	—
Lake View Inst (F)	3.6(2.8)	3.2(2.4)	4.75(3.41)	—	—	—
Luis Gordon (F)	16.1(13.0)	0.47(0.38)	8.19(6.85)	1.5(1.0)	20/6	1.51
Petrochem (F)	12.0(11.2)	0.15(0.24)	1.4(2.38)	—	—	—
Pilkington (F)	7.3(6.4)	—	—	0.87(same)	30/6	—
Robertson's (F)	13.6(11.1)	0.95(0.70)	22.73(17.33)	5.0(3.0)	—	—
Tarmac (F)	836.3(752.0)	38.0(26.5)	53.4(36.4)	3.5(2.6)	8/7	13.7(10.9)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply net dividend by 1.428. Profits are shown pre-tax and earnings are net. * Preferred, * Deferred.

Cavenham Inc plans to control Diamond

on Anthony Hilton of York. Cavenham Inc, the American of Sir James Goldsmith's emotional food group, is planning to buy control of Diamond International Corporation, a huge United States logging pulp and timber company.

Diamond has sales of over \$1m a year, and profits in 1978 of \$54m. Cavenham already owns at 5.6 per cent of Diamond's stock. But it apparently disposes of Diamond's recent attempts to merge with another set products group Brooks-Scanlon, and has filed a court in Delaware to block the deal.

In a statement Cavenham said it was firmly opposed to offer which it considered unfair to Diamond's shareholders. It claimed that the material, which is the statement the company produced to explain the offer, is misleading. And it said "to protect its investment" it will offer to purchase a significant portion of Diamond's stock.

Cavenham has not yet reached a formal bid. But it has to move fast as Diamond shareholders meet on 14 to approve the merger.

Brooks-Scanlon, a spokesman for the company, Cavenham, was unable to

clarify why the Brooks-Scanlon deal was considered unfair, but before being approached by Diamond, Brooks-Scanlon was on the point of merging with another company. It called that deal off because Diamond offered a considerably higher price.

Cavenham might be unwilling to see its shareholding diluted by what it sees as a costly acquisition, analysts on Wall Street noted.

There was speculation, too, that Cavenham had long been considering a bid for Diamond, but would find the combined company too large to swallow. Diamond itself is an attractive, asset-rich company with 1.4 million acres of timber. It shocked Wall Street two years ago by revaluing its assets and throwing up a \$400m surplus. But its trading performance has been dull and margins have declined steadily for the past five years.

Roughly one-third of its earnings come from packaging and a fifth each from timber and a retailing chain on the West Coast and New England which sells building supplies and wood for construction.

A spokesman for Diamond refused to discuss the Cavenham approach. Efforts to reach Cavenham's lawyer at the court documents filed on Monday also proved unsuccessful.

Briefly

Ladbroke Group's report and accounts for 1979 have been delayed by the printing dispute, but the group says they will show net assets per share up from 159p to 223p—boosted by a £22.5m surplus from property revaluations. Mr Cyril Stela, chairman, says that because a large part of revenue derives from interest spending, "Our businesses are generally immune from down turns in the economy." He adds that "the pattern of trade in 1980 has been good". To avoid delay in dividend payments the 6.05p proposed final has been replaced by a second interim.

Henderson Administration, the city-based international investment management group, has formed a subsidiary, Henderson Pension Fund Management. The new company will be headed by Mr Colin Day, who has been responsible for Henderson's pension fund development since 1977.

Nat Bank of Hungary: An agreement on a \$250m loan to the National Bank of Hungary was signed in London yesterday. Loan is to run for seven years and the management group includes National Westminster Bank, Manufacturers Hanover, Dresdner Bank and Credit Lyonnais.

English National Invest: Gross interest for year to March 31, 1980, £253,000 against £225,000 in previous year. Earnings per share preferred 2.28p (2.10p), deferred 4.24p (3.5p). Preferred final 1.74p gross (3.18p gross), deferred final 3.45p gross (4.54p gross).

Bank Base Rates

ABN Bank	17%
Barclays Bank	17%
BCCI Bank	17%
Consolidated Crdts	17%
Hoare & Co	17%
Lloyds Bank	17%
Mercantile	17%
Midland Bank	17%
Nat Westminster	17%
Rossminster	17%
TSB	17%
Williams and Glyn's	17%

7 day deposit on sums of £10,000 and under 15%, up to £25,000 12%, over £25,000 15%.

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The Over-the-Counter Market

1979-80	Company	Price	Ch'ge	(Gross Divid)	%d %	P/E	
High	Low						
99	60	Airsprung Group	66	—	6.7	10.2	*3.9
30	26	Armitage & Rhodes	31	—	3.8	12.3	*2.0
75	185	Bardon Hill	275	—	13.8	5.0	*8.1
31	80	County Cars Pref	94	—	15.3	19.1	—
01	63	Deborah Ord	80	—	5.0	5.3	*10.3
12	88	Frank Horsell	112	—	7.9	7.0	*7.0
29	98	Frederick Parker	101	—	12.8	12.7	*4.5
36	102	George Blair	107	—	16.5	15.4	*4.1
70	45	Jackson Group	69	—	5.2	7.5	*9.8
53	111	James Burrough	112	—	7.7	6.4	*9.1
30	242	Robert Jenkins	285	—	31.3	11.0	*9.1
32	175	Torday Limited	222	—	14.3	6.4	*5.8
34	111	Torday Ord	134	—	0.8	5.3	*3.0
30	70	Twinkl 12% ULS	75	—	12.0	16.0	—
36	23	Unilock Holdings	48	—	2.6	5.4	10.2
30	46	Unilock Holdings New	46	—	—	—	9.8
39	42	Walter Alexander	94	—	4.4	4.6	*5.2
15	136	W. S. Yeates	195	—	12.1	6.2	*3.2

Accounts prepared under provision of SSAP15



into the 80's

Extracts from the Annual Report and Accounts and the foreword to shareholders by the Chairman, Trevor Holdsworth.

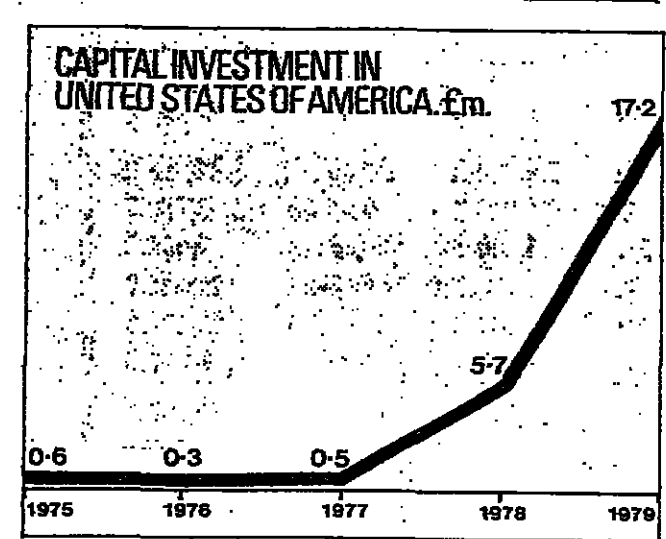
of front-wheel-drive passenger cars requiring constant velocity joints.

Capital expenditure in 1979 was £108.6 million of which £67 million was in the United Kingdom.

The people we employ round the world



	1979	1978
Europe	69,115	68,831
United Kingdom	14,631	14,461
Rest of Europe	15,170	15,110
Asia	974	847
Australia	2,483	2,315
Africa	1,951	945
America	104,324	102,509



The graphs show the investment in the rest of Europe and in North America over the past five years.

Against an increasingly unsettled background in 1979 we continued with our major programme of strategic realignment, aimed at simplifying and concentrating the Group's businesses and the accompanying management reorganisation.

Manufacturing capacity for the production of constant velocity joints on the Continent and in the United Kingdom is being expanded in line with the demand for these components.

Our first plant in the United States of America for the production of constant velocity joints will be commissioned in May this year and will commence delivery in July.

We are already well advanced with the second and larger facility which will be commissioned in May 1981.

Our involvement in the international distribution of automotive accessories and replacement parts was significantly increased with major developments and acquisitions in the United Kingdom and the United States.

The acquisition of the Sheepbridge Group during the year widened our manufacturing range of automotive components in the United Kingdom as well as further increasing our autsparts distribution activities.

	1979	1978
£ million	£ million	
Turnover	1,961.0	1,754.7
Surplus before depreciation	181.9	157.7
Depreciation	66.0	61.4
Profit before taxation	101.4	87.3
Taxation	44.2	41.6
Dividends	32.1	26.3
Retained profit	0.7	13.3
Capital expenditure	108.6	85.3

GUEST KEEN AND NETTLEFOLDS LTD

If you would like a copy of the 1979 Annual Report and Accounts please write to: Guest Keen and Nettlefolds Limited, GPR Dept., GKN House, 22 Kingsway, London WC2B 8LG Tel: 01-242 1616 Telex: 24911

FINANCIAL NEWS

More talk at bid for Owen Owen

By Michael Clark

Further active buying yesterday, in shares of Liverpool-based stores group, Owen Owen again renewed speculation that bid developments may be just around the corner.

The shares rose 8p to 133p yesterday, compared with the group's share price of 114p just over a week ago. This has led to suggestions that the group, which is controlled by the Owen family, interests, may have received a bid for its 20 odd stores scattered throughout the country including the prime Leamington Spa store.

But the main attraction to the group comes with its 29.9 per cent holding in Elys of Wimbledon and Grant Bros (Croydon) in which it holds 15 per cent. Shares of Elys, with assets of over £4 a share, in turn rose 17p to 157p while Grant Bros, with asset-backing of 216p, expanded 10p to 95p.

Alpine faces tough year

By Peter Wainwright

Mr James Gulliver, chairman of Alpine Holdings faces a stern test this year.

He prepares for it in the soundest possible way: "we are actively seeking to add other new activities. However, at least the first half of the current year is likely to be very disappointing." So, for the year as a whole pre-tax profits could be down depending on how fast interest rates come down too.

None of this shows through the figures for the year to January 31, last. Sales rose 32 per cent to £33.17m, with double glazing and replacement windows accounting for £20.8m, a 28 per cent increase. Pre-tax profits rose 44 per cent to £2.76m with double glazing accounting for £1.8m. The biggest advance came from Dolphin Showers whose profits soared from £543,000 to £1.2. Earnings a share went ahead from 10.59p to 15.82p, allowing an 81 per cent increase in dividend to 4.25p a share.

Mr Gulliver reports that Al-



Mr James Gulliver, chairman of Alpine Holdings.

pine Double Glazing had to absorb the costs of starting up a new factory at Tanfield Lea, County Durham, and a further extension of its distribution depot network. Prices also lagged

behind inflation. Dolphin did outstandingly well.

Dolphin continues to do well, but double glazing has become an industry where the going is tough and one dominated by weak selling from hard pressed small operators. Alpine's sales have fallen sharply.

There is, however, an impression that the chairman is looking ahead with the utmost caution, that he has costs already well in hand, and that acquisitions are being sought. Even so, the fact remains that dear money, falling demand and a mild winter will have hit double glazing hard.

Mr Gulliver placed 750,000 of his shares with institutions last June, but he extended the expiring management contract of his private investment company until January next.

The shares are going down from a 1979-80 high of 133p to 95p, or 8p down yesterday on trading fears. Asked yesterday whether he planned to buy some more Alpine shares, he replied: "It is quite possible. It all depends on the price."

Fine Art bids for Wilson Bros -at last

By Michael Clark

The City has never been short of takeover stories, but yesterday it lost one of its oldest when greetings card group Fine Art Developments finally bid for Wilson Bros following 12 years of negotiations.

In an agreed bid worth £4.3m, Fine Art has agreed to offer one ordinary share plus 56p in cash for every three ordinary shares of Wilson Bros. At present, the Staffordshire-based Fine Art holds 24.4 per cent of the company plus the 2.1 per cent held by its own pension fund making a total of 26.5 per cent. In addition, the directors of Wilson Bros, which also publish greetings cards, have agreed to part with their holding representing about 5.7 per cent of the total while at the same time, urging shareholders to part with their interests.

The board of Fine Art has been assured the stake bid by the Wilson family and its nominees, which it feels will give it overall control.

Shares of Wilson Bros greeted the news with a jump of 12p to 34p. But while one jobber in the market agreed that the bid had taken most of the market by surprise, speculations regarding the two companies' future were far from certain.

Net profits were £87.5m, against £69.6m, on revenues of £1,385m, compared with £1,186m the year before.

Net profits for the year were £277m, or £7.60 a share, compared with £224m and £6.35 a share in 1978. Sales for the year rose to £4,785m from £4,179m. The backlog of orders at

Volkswagen profits up 19pc on record deliveries

Volkswagenwerk made profits of Dm438m (£102m) in 1979, up 19 per cent from 1978, in a year marked by record worldwide deliveries totalling 2.51m vehicles.

Profits for the VW group, meanwhile, rose 16.2 per cent to Dm667m and turnover rose 14.9 per cent to Dm30,700m in 1979, the first year in which results for Triumph Werke Nuernberg and Chrysler Motors do Brasil were incorporated into the group results.

Domestic sales were Dm12,500m, up 11.3 per cent from the year earlier, while foreign sales grew by 17.5 per

International

cent to Dm18,200m. The total foreign sales component reached 52.3 per cent in 1979, up from 58 per cent in 1978.

Group investments rose by 55.8 per cent to Dm3,100m, which includes acquisition costs of Triumph and Chrysler of Brasil.

Herr Toni Schmuckler, the board chairman, noted that worldwide deliveries of vehicles

had risen by 3.4 per cent in the first three months of 1980 to a total of 656,000 units.

He said he expected returns to be "satisfactory" in 1980 barring "unusual" added costs from raw material price increases or foreign exchange fluctuations.

Sales in the Western European market outside West Germany rose by 17.7 per cent to 520,500 vehicles with sharpest growth recorded in France, Italy and Great Britain. In the United States, deliveries rose by 19.5 per cent to 334,700 vehicles.

De Beers expects diamond sales to rise

From Michael Prest

Johannesburg

Diamond sales are likely to be higher this year than in 1979, Mr Harry Oppenheimer, chairman of De Beers, says in his latest annual report.

But demand for stones smaller than one carat is still weak and, after a good first quarter, sales for the rest of the year will depend on the American market.

Mr Oppenheimer warns that high interest rates in the cutting centres are increasing the buyers' financing problems, thereby adding to the uncertainty of trade conditions.

Production at Consolidated Diamond Mines, the huge property in Namibia, fell by 246,000 carats last year, to 1.65m carats. CDM now pays about 64 per cent of its unrevealed profits, thought to be about Rand 200m, in tax and loan levy to Namibia. The company's contribution to De Beers's Rand 742m profit was down to 18 per cent.

CDM was one of the eight mines out of 13 in the company whose production grades fell last year. The Finch Mine, near Kimberley, is to raise production from 2.5m carats a year, to 4.5m. A Rand 60m expansion programme should be completed within two years.

United Capitals

to pay 20p a share

The board of United Capitals Investment Trust will propose,

at an extraordinary general meeting on May 21, that the company be wound up voluntarily.

The company has been selling investments in listed securities and expects that the net proceeds will enable the liquidator to make cash distributions of more than 20p a share.

Meanwhile, the board hopes that the liquidator will be able to make a first capital distribution of 20p a share within a month of passing the special resolution.

Pochin's foresees

healthy workload

Turnover for Pochin's, builders and civil engineering contractors, for half year to November 11, 1979, was £7.3m compared with £6.7m a year earlier. Pre-tax profit was £252,000 against £273,400.

Chairman says that having regard to the economic situation, the board is reasonably satisfied with the results, and forecasts a healthy workload for the immediate future. The interim dividend is held at 1.24p gross.

Danish Bacon hit

by poor market

Danish Bacon Company is experiencing the poorest market for its products for some years as high interest rates force major de-stocking by

customers and indeed a general stagnation of business.

The chairman says that the current period would see some emphasis on economies to contain costs but a substantial improvement in business climate would be necessary for profits to be maintained.

D. Bramall looks

for acquisition

The chairman of D. Bramall says that the first three months of the current year have produced excellent results, comfortably exceeding in respect of

He says the company is in a position to successfully combat the problems it is likely to encounter, and that he expects to be able to report an acquisition very shortly. One or two other situations which the company is looking at are expected to come to fruition before the end of the year.

Harris Queensway and

Henderson-Kenton

The offers on behalf of Harris Queensway for Henderson-Kenton have become unconditional in all respects. Acceptances of the offers on shares in issue prior to the reorganisation of the share capital, have been received in respect of 4.96m ordinary and 1.19m preference, representing 92.8 per cent and 92.9 per cent of the shares not already owned by Harris.

Harris now owns 94.0 per cent of the ordinary capital as constituted before reorganisation. Offers remain open for acceptance until further notice except that the cash and shares alternative no longer applies.

Reckitt & Colman

expect US upturn

Mr J. Cleminson, chairman of Reckitt & Colman, says that given the problems created by the economic conditions of the world, the board does not predict that it is going to be easy to maintain progress in all the group's markets.

The board confidently expected the North American results to increase from their present low level and that therefore there will be an improvement in overall results.

Accounts show payments to former directors of £70,000 as compensation for loss of office and £46,050 as ex-gratia payments.

Offer for Hoffmann

goes unconditional

Burns Philp's offer to acquire S. Hoffmann, has gone unconditional. Acceptances of the ordinary offer, together with shares acquired and shares agreed to be acquired now total 59.17 per cent of Hoffmann.

Acceptances of the cumulative preference offer represent some 67.6 per cent of Hoffmann's preference capital.

Rowe & Pitman for Boston

By Catherine Guan

An increasing number of British financial institutions are linking up with their United States counterparts as more American institutions, particularly the giant pension funds, wake up to the investment opportunities outside their own continent.

United Kingdom merchant banks like Robert Fleming and Warburg have supplied United States institutions with advice from New York offices for some years. The latest foray into the United States market comes from the United Kingdom broking firm of Rowe & Pitman.

Its 10-man subsidiary in San Francisco is opening a branch in Boston.

"It is logical to have a branch between the West Coast Office and the United Kingdom Office," says Mr David Russell, Rowe & Pitman's spokesman.

Rowe & Pitman has had a handful of clients in Boston for some time, their increasing interest in overseas markets triggered the decision to open the office there. Business opens on 13 May. The office will be run by Bostonian Mr Richard Murray, ex-United States broking firm of A. G. Becker, backed up by visiting Rowe & Pitman analysts and partners.

Rowe & Pitman considers itself "almost uniquely placed" to put United States institutions into any market in Europe, as well as South Africa, and the Middle and Far East.

Foreign competition comes from Japanese brokers already established in New York.

Business appointments

CBI economic committee head

Mr James Cleminson, chairman and chief executive of Reckitt & Colman, is to be the next chairman of the CBI's Economic Committee.

Mr Peter B. King has joined the board of the CBI's Economic Committee. He succeeds Sir Raymond Pennock, who will become president of the committee at its annual meeting on May 21.

Mr Walter Dickson, managing director of the Pedigree Petfoods Division, will become managing director of Mars Confectionery in succession to Mr Brian Law. Mr Leslie Simmens, currently commercial director of Pedigree Petfoods, has been appointed as Mr Dickson's successor.

Mr E. Barry Palmer has been named national managing partner of Robert Rhodes. He takes over from Mr James Cleminson who will continue as senior partner of the firm in a non-executive role.

Mr Hugh Cabbitt becomes chairman of Lombard North Central. He succeeds the Rt Hon the Earl of Grafton and Balcarras.

Mr C. R. Harris, an executive director of Commercial Union Assurance, has been made deputy chief general manager. Mr W. K. Gordon has been made an assistant secretary of the company.

Mr A. W. Frost has been made chairman of C. E. Heath & Co (Safarins).

Mr John Haffenden, of David Brown Gear Industries, has been elected to be the first president of the British Machine Equipment Council.

Mr M. G. Moss has gone on to the board of S. Simpson.

Mr C. A. Keeley has joined the board of Yeoman Investment Trust.

Mr Anthony Edward Leyland has become a director and deputy managing director of Rush and Tompkins Developments.

Mr John Parsons, deputy chairman and managing director of

Francis Shaw, has been elected president of the British Plastics Federation. Mr C. R. Harris, of Shell Chemicals (UK), will be vice-president.

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Bendon, Langer & Co but will continue with the firm as a consultant.

Mr Geoffrey Young has been appointed secretary of the BEAMA Transmission and Distribution Association and director of the Electrical and Electronic Insulation Association, both federated members of the British Electrical and Allied Manufacturers' Association.

Mr D. W. Bateman has been elected chairman of the low voltage circuit-breaker division of the Electrical Installation Equipment Manufacturers' Association.

Mr T. A. P. Walker has been made a director of Henderson Administration.

Mr R. Whalley is joining the board of Ferranti Instrumentation. Mr Alan Taylor has been appointed to the board of directors of S. Lyle.

Mr Arthur Montgomery and Mr David Snedden, both assistant managing directors, become joint managing directors of Thomson Regional Newspapers following the appointment of Mr David Cole, chairman and chief executive of Thomson Regional Newspapers, to the board of Thomson British Holdings. Mr Matthew Seales, also an assistant managing director, is promoted to be deputy managing director.

Mr D. K. Thomas has been made a director of Robert Fleming Investment Management.

Mr E. W. Cummings and Mr P. M. Hickory are to join the partnership of stockbrokers, Laidlaw, Milne & Co.

Professor Roland Smith has become chairman of Temple Bar Investment Trust in succession to the late Mr A. F. Roger.

Mr Alan R. McIntosh has become chairman of Chelsea Building Society. He succeeds Mr Robin E. Goodfellow who will continue to serve as a member of the board. Mr Clifford Hale has been appointed to succeed Mr McIntosh as vice-chairman.

Ford loses \$473m in US as sales fall sharply

The Ford Motor Co yesterday announced a domestic loss of \$473m (about £220m) in the first quarter of this year as sales fell dramatically.

Ford said the loss would have been deeper except for a non-recurring gain of \$91m as a result of a recently approved

tax treaty between the United States and the United Kingdom. In the same period last year the company made a domestic profit of \$220m.

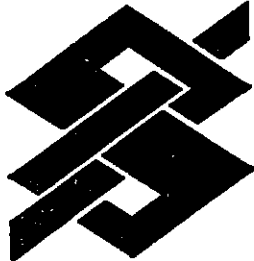
The company did not provide its losses for its North American car operation. Instead, it disclosed that all of its operations

in North America, including its profitable financing unit, posted an after-tax loss of \$495m. Pre-tax figures also were not given.

Car and truck sales in the United States and Canada fell by almost 44 per cent in the quarter to 653,147 units from 1.16m units in 1979.

Mr Philip Caldwell, chairman, said Ford's losses in the United States were caused by high inflation, rising energy costs and other factors.

Outside North America, Ford said its profit slid by 9.1 per cent to \$331m from \$361m a year earlier.



BANCO DO BRASIL S.A.

CONSOLIDATED AND CONDENSED COMPARATIVE STATEMENT OF CONDITION IN MILLIONS OF U.S. DOLLARS

Assets	31.12.75	31.12.76	31.12.77	31.12.78	31.12.79
Cash and due from banks	1,142.0	1,344.7	1,098.1	2,767.7	1,667.0
Loans	26,166.8	31,932.4	39,023.9	42,499.8	42,837.4
Securities	429.7	506.9	729.8	1,010.0	664.4
Bank premises and equipment	373.4	370.3	900.7	815.0	694.2
Other assets	1,094.4	4,772.4	4,983.9	1,965.3	3,383.0
TOTAL ASSETS	29,206.3	38,926.7	46,736.4	49,057.8	49,246.0
Liabilities					
Capital and reserves	2,457.5	2,688.6	3,547.5	4,057.5	3,269.6
Deposits	17,537.7	23,226.3	26,565.1	22,729.2	16,074.9
Demand	9,129.6	9,839.7	11,019.8	8,059.9	6,772.7
Time	8,408.1	13,386.6	15,545.3	14,669.3	9,302.2
Funds borrowed	1,367.4	1,504.0	1,760.7	8,654.2	15,644.3
Funds for refinancing	5,882.5	8,014.0	11,341.5	11,804.3	10,979.9
Other liabilities	1,961.2	3,493.8	3,521.6	1,812.6	3,277.3
TOTAL LIABILITIES	29,206.3	38,926.7	46,736.4	49,057.8	49,246.0

The figures shown above are the conversion of Cruzeiros into U.S. dollars at the rate prevailing on the respective balance sheet dates.

FOREIGN NETWORK

Abidjan, Amsterdam, Antofagasta, Asunción, Atlanta, Bogotá, Brussels, Buenos Aires, Caracas, Chicago, Ciudad Vieja, Cochabamba, Colón, Concepción, Dallas, Frankfurt, Geneva, Grand Cayman, Hamburg, Houston, Lagos, La Paz, Lima, Lisbon, London, Los Angeles, Madrid, Manama-Bahrain, Mexico City, Miami, Milan, Montevideo, New York, Oporto, Panama City, Paris, Paris-Opera, Paysandu, Puerto Presidente Stroessner, Quito, Rivera, Rome, Rotterdam, San Francisco, Santa Cruz de la Sierra, Santiago de Chile, Singapore, Stockholm, Sydney, Tehran, Tokyo, Toronto, Valparaiso, Vienna, Washington and Zurich.

New branches and representative offices to be opened shortly in other countries.

Banking correspondents throughout the world, and over 1,300 full branches in Brazil.

LONDON BRANCH

15/17 King Street, EC2P 2NA.
Telephone: 01-606 7101. Telex: 8812381

Luis Gordon Group Limited 1979

Sales rose 25% to £16,096,000
Profit before tax rose 164% to £475,000
Earnings per share rose from 2.85p to 8.19p
Net Assets per share rose from 25p to 36p

Comment on results Luis Gordon's main business is the importing and marketing of Domecq Sherry and wines, Graham's Port, Glayva Whisky Liqueur and a range of other wines, liqueurs and spirits.

The preliminary results for 1979 demonstrate continued substantial improvement in sales and profit before tax.

The growth in sales reflects the Group's success in increasing the sales of Domecq Sherry and in developing the sales of its other brands.

Profit before taxation was up by 164% despite a substantial rise in interest charges.

Due to the available reliefs, no tax will be paid other than Advance Corporation Tax on the dividend.

Extraordinary Item The repayment during the year of the US\$1,850,000 Subordinated Loan resulted in an exchange gain of £217,000.

Dividend A dividend is proposed of 1.5p per share (1978-1p).

Future prospects Sales and trading profits for the first quarter are ahead of the figures achieved in the same period last year and, while the results for the full year will be heavily influenced by the economic climate and by the level of interest rates, it is hoped that further profit growth will be achieved.



By Appointment to Her Majesty Queen Elizabeth II Suppliers of Domecq Sherry Luis Gordon & Sons Ltd. London.

	1979	1978
	£'000	£'000
Turnover	16,096	12,951
Trading Profit	1,197	764
Interest	(722)	(584)
Profit before taxation and extraordinary item	475	180
Taxation	(33)	(26)
Profit after taxation, but before extraordinary item	442	154
Extraordinary item	217	—
Profit after taxation and extraordinary item	659	154
Dividend	(81)	(54)
Retained profits	578	100
Earnings per share	8.19p	2.85p
Net Assets per share	36p	25p

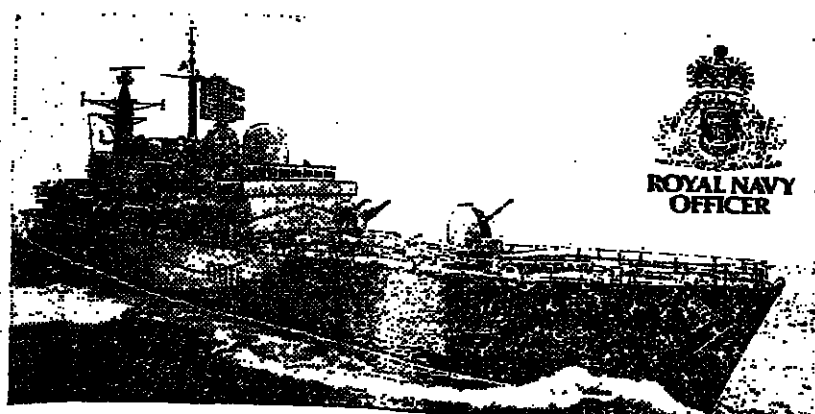
Annual General Meeting Copies of the Annual Report will be posted to shareholders on Friday, 2nd May, 1980 and the Annual General Meeting will take place at the Caxton Hall, Caxton Street, London SW1 on Wednesday, 28th May, 1980 at 12 noon.

Gilts and oils lead the way

ACCOUNT DAYS: Dealings Began, April 28. Dealings End, May 9. \$ Contango Day, May 12. Settlement Day, May 19.
\$ Forward bargains are permitted on two previous days

مكتبة الأمل

Appointments Vacant



WHAT HAVE THE NEXT 3 YEARS GOT TO OFFER YOU?

Excitement? Responsibility? Travel? The chance to experience the life of a Seaman Officer in the Royal Navy? The Navy's new Short Career Commission for Seaman Officers gives you all this.

If you want to extend your commission, you'll be given every opportunity to do so. Or you can leave, after 3½ years' service, with a lot of valuable experience and a tax-free gratuity of £2,642.

(Minimum qualifications are 17-26 years, 2½ years' service, including English language, Maths, and 1½ years' service. If you have a degree or diploma in a relevant subject, this commission does not apply.)

For Captain W.J. Flindell RN, Officer in Charge, Section (1973), Old Admiralty Building, Spring Gardens, London SW 1A 2BE. Please send me more information about the new 3½ year Short Career Commission in the Royal Navy.

Name: _____ (Signatures from UK residents only)
Address: _____
Date of Birth: _____

University/School: _____
The Navy's new Short Career Commission for Seaman Officers.

DEAL WITH PEOPLE

Part of the largest U.K. Employment Agency Group specializing in accountancy staff, we need to recruit consultants (22-35) for our accountancy divisions. You are a well-educated, self-motivated person ideally with a background in accountancy or sales and feel you can identify early responsibility, rapid promotion and would enjoy the challenge of working in a rigorous, entrepreneurial and socially aware environment, please write to:

01-588 1031

ACCOUNTANCY PERSONNEL,
62-64 MOORGATE, LONDON, E.C.2.

BEAUTY THERAPY COLLEGE

Requisite instruction, full time permanent appointment. Successful applicant will be given advanced training if required.

Applications in writing giving full details to Miss Hilary Gray, Principal, The Shaw College of Beauty Therapy, 11 Old Bond Street W1X 3DB.

ACCOUNTANT CO-SECRETARY, not necessarily qualified, required by old established business serving clients in North London to supervise all office and accounting administration. Reasonable salary, pension, holiday, and expanding family company. Salary £10,000 p.a. Box 1005 F, The Times.

GULF DEVELOPMENT CO. LTD.

The following are required for overseas projects, aged preferably under 35

1. CHIEF ENGINEER
2. MECHANICAL ENGINEER
3. ELECTRICAL ENGINEER
4. CIVIL ENGINEER
5. INSTRUMENTS ENGINEER
6. PROCESS ENGINEER
7. PIPING ENGINEER
8. PLANNING ENGINEER
9. COMMUNICATIONS ENGINEER
10. ARCHITECT
11. QUANTITY SURVEYOR
12. CHARTERED ACCOUNTANT
13. FINANCIAL CONTROLLER
14. ECONOMIST
15. INTERNATIONAL LAWYER (Commercial)

It will be an advantage for candidates to have previous overseas experience and additional qualifications including languages. Good salaries will be paid to the right person for each category.

Apply in confidence with curriculum vitae to The Secretary, Gulf Development Co. Ltd., 128 Park Lane, London W1Y 3AE

RECRUITMENT CONSULTANTS

WINDSOR, GUILDFORD & ST. ALBANS

From 25 years' experience in recruitment consultancy and through continued growth can offer exciting prospects to candidates now sought for our regional offices. We want people who have training in either accountancy, engineering, data processing, or sales and marketing. Ideally having attained some qualification. Previous experience would be an advantage, but the primary requirement is for ambitious, self-motivated, career minded people, having the ability to communicate with others.

The job is people oriented, and we will teach you our proven methods of assessing and matching candidates to job opportunities across a wide spectrum of industry. We offer a realistic salary and profit sharing, together with free pension, life insurance, free health insurance and BUPA advancement both in responsibility and earnings is rapid for those demonstrating ability.

Contact, in confidence, Richard Wilson, Regional Manager.

2 Eton Court Eton Windsor Berks WINDSOR (075 35) 64256

STUDENT awaiting university required for general duties in computer room and office. 10-15 hrs. p.w. at 01-585 6701.

NOTICE: All advertisements are subject to the conditions of acceptance. Terms and conditions available on request.

PUBLIC AND EDUCATIONAL APPOINTMENTS

NATIONAL ASSOCIATION OF CITIZENS
ADVICE BUREAUX
INFORMATION
RETRIEVAL OFFICER

The Association provides the central back-up service to over 800 Citizens Advice Bureaux throughout the U.K. The officer will be one of a small team in the Information Retrieval Section and will be involved in collecting evidence from bureaux on topics of social concern and subsequently presenting reports to government and other agencies. The job will include a certain amount of record-keeping and general administrative work.

Preference will be given to applicants with relevant experience in social work or advice-giving. A knowledge of survey or retrieval work would be useful. Salary scale—£5,050-£5,330 p.a. plus £30 London Weighting (both under review); L.V.S.: 20 days' Annual Leave plus an extra day at three Bank Holidays; contributory superannuation scheme.

For further details and application form please write to: The Administrator, N.A.C.A.B., 110 Dorset Lane, London WC2B 8SD. Closing date: 16 May 1980.

EXPERIENCED, qualified teacher of short-hand and typewriting required for well-known secretarial college in London. Salary £12,000 p.a. plus £1,000 London Weighting. Please telephone, or write, to the Director of Training, St. George's College, 2 Ardenway Road, London, NW3 6AD. Tel.: 01-352 9851.

UNIVERSITY APPOINTMENTS

University of Reading
LECTURESHIP IN PHYSIOLOGY AND BIOCHEMISTRY

Applications are invited for a Lectureship in Physiology and Biochemistry. The holder of the post will be responsible for the teaching of the subject to students in the Department of Physiology and Biochemistry. The post will be held for a period of three years, renewable for a further three years. The salary scale is £12,000-£15,000 p.a. plus £1,000 London Weighting. Applications should be sent to the Director of Studies, Department of Physiology and Biochemistry, University of Reading, Whiteknights, Reading, RG6 2AA. Tel.: 01-359 3111.

University of Liverpool
Department of Biochemistry

Applications are invited for a Lectureship in Biochemistry. The holder of the post will be responsible for the teaching of the subject to students in the Department of Biochemistry. The post will be held for a period of three years, renewable for a further three years. The salary scale is £12,000-£15,000 p.a. plus £1,000 London Weighting. Applications should be sent to the Director of Studies, Department of Biochemistry, University of Liverpool, Leahurst, Neston, Merseyside, L69 7GQ. Tel.: 01-506 3431.

DEMONSTRATOR/SENIOR DEMONSTRATOR

In the Department of Biochemistry. The holder of the post will be responsible for the teaching of the subject to students in the Department of Biochemistry. The post will be held for a period of three years, renewable for a further three years. The salary scale is £12,000-£15,000 p.a. plus £1,000 London Weighting. Applications should be sent to the Director of Studies, Department of Biochemistry, University of Liverpool, Leahurst, Neston, Merseyside, L69 7GQ. Tel.: 01-506 3431.

Business Opportunities

Collector of Pacific Handicrafts. Specialist in collecting and selling Pacific handicrafts. Ideal for those with a passion for the Pacific. Tel.: 01-506 3431.

MINORCA, SPAIN. Ideal for a weekend or holiday home. Tel.: 01-506 3431.

Commercial Services

WELSH SERVICE. Tel.: 01-506 3431.

Commercial and Industrial Property

MAYFAIR, opp. Green Park. Tel.: 01-506 3431.

Special Reports

put situations and subjects of today into

PERFECTIVE

COMPANY NOTICES

THE RUD TINTING CO. LTD.

Notice is hereby given that the annual general meeting of the Rud Tinting Co. Ltd. will be held at the Rud Tinting Co. Ltd. on Thursday, 3rd May 1980, at 10.00 a.m.

The business to be transacted at the meeting is as follows:

1. To receive the accounts and reports of the directors and auditors for the year ended 31st December 1979.

2. To elect directors in place of those retiring.

3. To elect auditors in place of those retiring.

4. To consider and, if thought fit, to approve the directors' remuneration and the auditors' fees.

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